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**Experiences of Virginia
Time Limit Families in
the Six Months After
Case Closure: Results for
an Early Cohort**

Final Report

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*Anne Gordon
Carole Kuhns
Renee Loeffler
Roberto Agodini*

Submitted to:

Virginia Department of Social Services
730 E. Broad Street
Richmond, VA 23219-1849

Submitted by:

Mathematica Policy Research, Inc.
P.O. Box 2393
Princeton, NJ 08543-2393
(609) 799-3535

Under Subcontract to:

Center for Public Administration and Policy
Virginia Polytechnic Institute
and State University
7054 Haycock Road
Falls Church, VA 22043-2311

MPR Project Director:

Anne Gordon

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EXECUTIVE SUMMARY

Most welfare recipients now face a time limit on their eligibility for cash assistance. The Personal Responsibility and Work Opportunity Reconciliation Act of 1996 instituted a five-year lifetime limit on federal cash assistance for most cases and permitted states, under the new Temporary Assistance for Needy Families (TANF) program, to set shorter time limits. Some states, including Virginia, had already begun to implement time limits under waivers. Because time-limited welfare is new, policymakers and the public at large have been concerned about what happens to families who lose TANF benefits because of time limits. This question can only be answered state by state, as time limit policies vary widely.

In Virginia, welfare reforms that began in 1995 include a 24-month time limit on benefits as part of the Virginia Initiative for Employment not Welfare (VIEW). To provide reliable information on time limit families and what happens to them after reaching the time limit, the Virginia Department of Social Services (VDSS) has contracted for a longitudinal study, which includes analysis of surveys of time limit families and of administrative data.

This report covers the experiences of families that reached the time limit in early 1998 during approximately the first six months after their benefits ended. Key findings include:

- In the six months after reaching the time limit, most parents worked, and many worked steadily, but primarily in low-wage jobs.
- There is almost no evidence of major deprivation, such as homelessness or children being sent to live elsewhere.
- On average, despite the loss of the TANF benefit when the case closed, incomes were the same before the case closed and about six months later. However, the lack of change on average masks diverse experiences.
- TANF recipients who reached the time limit were likely to be older, to have more children, and to have been on TANF longer than other VIEW cases.

BACKGROUND: VIRGINIA'S TIME LIMIT

In Virginia, the time limit is just one aspect of VIEW, which is mandatory for able-bodied TANF parents with no children under the age of 18 months. Key provisions of VIEW include:

- The signing of an Agreement of Personal Responsibility as a condition for receiving benefits

- Required job search for 90 days or until employed, followed by mandatory work either through regular employment or participation in the Community Work Experience Program (CWEP), which involves work in a nonprofit or public setting in exchange for benefits
- Full family sanctions (complete loss of benefits) for noncompliance¹
- Generous earned income disregards, which allow families to continue to receive their full TANF grant for up to 24 months as long as their net earned income plus TANF benefits remains below the poverty line
- Supportive services, including subsidized child care, transportation assistance, and Medicaid, while on TANF and for one year after the TANF case closes
- A 24-month time limit on TANF benefits, followed by 36 months of ineligibility for TANF²

The time limit potentially affects a substantial proportion of eligible welfare cases. However, of the 3,051 cases enrolled in VIEW by the end of June 1996, only 454 cases, or 15 percent, had reached the time limit by the end of June 1998.

The structure of VIEW implies that time limit families in Virginia are not necessarily like families that reach TANF time limits in other states. The Virginia time limit applies only to mandatory VIEW cases. After the first 90 days in VIEW, VIEW-mandatory cases must work at least 30 hours per week, take a CWEP position, or lose 100 percent of their TANF benefit. Months in which benefits are “suspended” because of failure to meet VIEW requirements still count toward the time limit unless the case head takes action to close the case. Thus, heads of cases that reach the time limit fall largely into two groups: (1) those who have been working and meeting VIEW requirements for some time; and (2) those who, because of a VIEW sanction, stopped receiving benefits before reaching the time limit, and then had their case officially closed upon reaching the time limit. Most are in the first group.

¹Failure to sign the Agreement of Personal Responsibility results in case closure. Failure to comply with the job search or work requirements after signing the agreement results in a 100 percent sanction for a minimum period. During the sanction period, the months count toward the time limit unless the client chooses to close the case.

²Extensions are available under some circumstances, but VDSS reports that few have applied for or received them.

SAMPLE AND DATA

This report is based on all Virginia TANF cases that closed because they had reached the 24-month time limit between February 1, 1998, and June 30, 1998. Because of the staggered implementation of VIEW in Virginia, only a few parts of the state had cases reach the time limit during this period. Specifically, these cases are drawn from 4 of Virginia's 18 Economic Development Districts: District 2, the Bristol/Galax area, a rural area in the southwest; District 6, the large urban and suburban counties in Northern Virginia near Washington, DC; District 9, the Lynchburg area, in the Piedmont region; and District 7, the Culpeper area, which is also largely rural and was the first place to implement VIEW.

The number of cases that reached the time limit in February through June 1998 was 328. Administrative data for all these cases were analyzed. For the six-month follow-up survey, 256 interviews were completed, for a response rate of 78 percent. The follow-up interview was about 40 minutes long and was administered by telephone, using computer-assisted interviewing. Most respondents were reached from 6 to 8 months after the case closed, but 11 percent were interviewed 9 to 12 months after the case closed.

STUDY GOAL: DESCRIBE TIME LIMIT FAMILIES AND THEIR EXPERIENCES AFTER BENEFITS END

The goals of this report are to describe who reached the VIEW time limit in early 1998, what happened to them in the next six months, and how their lives changed after they lost their TANF benefits. An important caution is that this study is descriptive. It cannot show whether changes occur in people's lives because of the loss of TANF benefits or whether these changes would have come about anyway, because there is no control or comparison group to show what would have happened to these families without a time limit.

In some instances, we compare time limit cases to VIEW cases in the same areas that closed before the time limit (leavers). Data on leavers are from the Virginia Closed Case Survey, which involved interviews with heads of a random sample of VIEW cases that closed in late 1997, approximately one year after their TANF cases closed.

FINDINGS

WHO REACHED THE TIME LIMIT?

- Former recipients who reached the time limit tended to be older than VIEW participants who left before reaching the time limit. They also had larger families.

- Most time limit families had been on TANF for a long time.³ Two-thirds had first enrolled in TANF more than five years before reaching the time limit. Taking into account periods off TANF, more than half the families had more than five years of TANF participation.
- Most time limit parents had complied with VIEW rules, but over a quarter were sanctioned at least once for not meeting program requirements. Most were sanctioned for three months or less, but a small group was sanctioned for much longer, some for almost all their time in VIEW.
- About half the survey respondents reported that they had planned to stay on TANF until they reached the time limit.

HOW MUCH DID THEY WORK AFTER BENEFITS ENDED?

- About 86 percent of respondents to the follow-up survey worked at some point after their case closed. Among those who worked, 63 percent worked in every month from the time the case closed until the interview.
- Two-thirds of respondents worked more than 30 hours per week. Jobs held by respondents were predominantly in service or sales occupations, and paid about \$6 per hour, on average.

Time limit respondents were more likely to work after their case closed than those whose cases closed for other reasons. However, time limit respondents who worked earned lower wages and worked fewer hours than other leavers who worked.

WERE THEY MOVING TOWARD SELF-SUFFICIENCY?

Toward Self-Sufficiency: Employment and Child Support Increase

- More respondents worked after their TANF case closed. About 63 percent were working in the month the case closed, and 71 percent were working at the time of the interview, seven months later on average.
- The proportion receiving child support increased from 19 to 29 percent after the case closed, and the amounts received by those collecting support also increased.

³For simplicity, the term TANF is used even when referring to the period when the program was known as AFDC.

The Safety Net: Most Continue to Receive Food Stamps and Medicaid

- Based on the survey data, about 76 percent of time limit families still received food stamps when interviewed, six months or more after the case closed, only slightly less than when on TANF. Average food stamp benefits increased slightly after the TANF case closed. Administrative data present a similar picture.
- More than half of time limit families who did not receive food stamps after case closure believed they were ineligible, although their incomes were low enough that some may have been eligible.
- About 90 percent of families reported that someone in their family was covered by Medicaid at the time of the interview, 80 percent said the children were covered, and 71 percent said the entire family was covered.

Transitional Benefits: Received by Some

- Just under one-third of working time limit families with a child under 13 reported receiving a child care subsidy, one-third reported that they chose to forgo a subsidy, and another third were not aware that they may be eligible for a subsidy (and may or may not have been eligible).
- Less than 15 percent of working families received a transportation subsidy in these early VIEW sites, but most had access to cars and drove or got a ride to work.

Help from Family and Friends: Much as Before

- Among survey respondents, 67 percent received assistance from family and friends. For the most part, respondents did not think the level of assistance received from family and friends had changed since they left TANF.

Help from Community Agencies: Used by Some

- Among survey respondents, 27 percent reported receiving help from community or religious groups.

HOW ARE FAMILIES DOING?

- Average income was the same at the interview as before the case closed. Families had lost TANF benefits but had filled the gap with increased income from earnings, food stamps, and child support.
- For 28 percent of time limit families, income had increased by 10 percent or more since their TANF case closed. For 25 percent of time limit families, income had stayed about the same, and for 47 percent of time limit families, income fell by 10 percent or more.
- Thirteen percent of families had income above the federal poverty level before their case closed, and 14 percent at the interview, based on self-reported income. At the same time, a larger percentage of respondents reported their income to be below 50 percent of the federal poverty level at the interview (43 percent) than at case closure (36 percent).
- When asked for an overall assessment of their situation since leaving TANF, 58 percent of families reported that their circumstances were about the same (36 percent) or better (22 percent).
- Fifteen percent of respondents reported visiting food pantries or soup kitchens since their case closed.
- However, only two percent of time limit families had been homeless since the case closed.
- Nearly all families had health insurance for some members. Eight percent of families lacked health insurance for the entire family. An additional 10 percent lacked insurance for the children.

WHAT WERE CHILDREN'S SITUATIONS?

- Children in time limit families were mostly age 5 to 12 and living with a single mother.
- Children of working time limit parents were in child care arrangements similar to those used by other working families, most commonly care by grandparents or in a child care center. Most children received care from a single provider (other than school) and spent less than 40 hours a week in child care. No children under 10 years old were left on their own.

- Only one percent of respondents reported that any of their children had gone to live elsewhere since the case closed.
- One-third of children living with a single parent had been in contact with their nonresident parent since the family left TANF.

ISSUES FOR FUTURE WORK

The findings in this report reflect the experiences of a small number of families and follow them only for a brief period after their TANF benefits end. We plan to interview these families again, starting 18 months after their cases closed. This longer-term followup will focus on several issues:

- Are families able to improve their earnings and total incomes over time?
- How do families cope with the end of their 12 months of eligibility for transitional assistance with child care, transportation, and Medicaid?
- How are children in time limit families faring? New data on health and behavioral problems will be collected.

In addition, to increase the overall sample and to make the study representative of a broader part of Virginia, we will conduct similar 6- and 18-month follow-up interviews with cases that reach the time limit in early 1999 and 2000. These additional interviews will substantially enrich our understanding of who reaches the VIEW time limit and how they cope.

I. INTRODUCTION

Welfare reform in Virginia includes a 24-month time limit on benefits for able-bodied parents with no children younger than 18 months. The time limit potentially affects a substantial proportion of eligible welfare cases. However, of the 3,051 cases enrolled in VIEW by the end of June 1996, only 454 cases, or 15 percent, had reached the time limit by the end of June 1998.¹ Because the 24-month time limit is a major departure from previous practice, policymakers and the public at large are greatly interested in its outcomes. Thus, to provide reliable information on time limit families and what happens to them, the Virginia Department of Social Services (VDSS) has contracted for a longitudinal study of these families.

This first report covers the experiences of families that reached the time limit in early 1998 during approximately the first six months after their benefits ended. Administrative data on 328 cases are presented, along with results from interviews with 256 of these cases. Later reports will describe the experiences of additional time limit families and will include results from follow-up interviews with heads of time limit families both 6 and 18 months after the case closed.

The rest of this chapter provides background on welfare reform in Virginia. It then describes the questions the time limit study addresses, the data collected, and the analysis.

A. WELFARE REFORM IN VIRGINIA

Virginia's multifaceted welfare reform program--the Virginia Independence Program (VIP)--has two distinct components. The first is changes in Aid to Families with Dependent Children (AFDC) eligibility requirements that were intended to encourage family responsibility. The second component, the Virginia Initiative for Employment not Welfare (VIEW), is one of the nation's

¹Statistics provided by Carol Baron of the Virginia Department of Social Services.

strongest examples of a “work first” program, emphasizing rapid movement of public assistance clients into jobs. Overall, VIP represents a substantial commitment to changing the “culture of welfare” both for program staff and for clients.

The VIP eligibility requirements were implemented statewide on July 1, 1995. VIEW was implemented locality by locality from July 1995 to October 1997. In 1996, the federal Personal Responsibility and Work Opportunity Reconciliation Act replaced AFDC with a block grant for Temporary Assistance for Needy Families (TANF). Because Virginia had already shifted its AFDC program to a temporary assistance program with employment as its focus, the state implemented TANF in February 1997 with minimal modifications to VIP.

The VIP eligibility requirements include:

- Stronger requirements for cooperation with child support enforcement
- A family cap on benefits for children born more than 10 months after assistance is authorized
- Age-appropriate immunizations for children
- Compliance with school attendance laws
- Determination of benefits for two-parent families using the same standards as for single-parent families

VIEW is mandatory for able-bodied parents with no children under the age of 18 months. Key provisions of VIEW include:

- The signing of an Agreement of Personal Responsibility as a condition for receiving benefits
- Required job search for 90 days or until employed, followed by mandatory work either through regular employment or participation in the Community Work Experience Program (CWEP), which involves work in a nonprofit or public setting in exchange for benefits

- Full family sanctions (complete loss of benefits) for noncompliance²
- Generous earned income disregards, which allow families to continue to receive their full TANF grant as long as their net earned income plus TANF benefits remains below the poverty line
- Supportive services, including subsidized child care, transportation assistance, and Medicaid, while on TANF and for one year after the TANF case closes
- A 24-month time limit on TANF benefits, followed by 36 months of ineligibility for TANF

The structure of VIEW implies that time limit families in Virginia are not necessarily like families that reach TANF time limits in other states. The Virginia time limit applies only to mandatory VIEW cases. The proportion of Virginia's TANF caseload that is VIEW-mandatory has been declining as VIEW cases leave the rolls. After the first 90 days in VIEW, VIEW-mandatory cases must work at least 30 hours per week, take a CWEP position, or lose 100 percent of their TANF benefit. Months in which benefits are "suspended" because of failure to meet VIEW requirements still count toward the time limit unless the case head takes action to close the case. Thus, heads of cases that reach the time limit will fall into two groups: (1) those who will have been working and meeting VIEW requirements for some time,³ and (2) those who may have stopped receiving benefits because of a VIEW sanction some months before their case was officially closed because of the time limit. Most people are expected to fall into the first group.

²Failure to sign the Agreement of Personal Responsibility results in case closure. Failure to comply with the job search or work requirements after signing the agreement results in a 100 percent sanction for a minimum period. During the sanction period, the months count toward the time limit unless the client chooses to close the case.

³A few may have been in CWEP positions for part of their time in VIEW, but even those in CWEP will probably have worked in unsubsidized jobs for most of their 24 months.

B. STUDY GOALS

The time limit study is one of five studies sponsored by VDSS to examine the implementation, outcomes, and impacts of welfare reform in Virginia.⁴ VDSS contracted with the Virginia Polytechnic Institute and State University (Virginia Tech) and its subcontractor, Mathematica Policy Research, Inc. (MPR), to conduct the studies. Funding was provided by the U.S. Department of Health and Human Services, Administration for Children and Families, and by VDSS.

The goals of the time limit study are to describe who reaches the time limit, what is happening to people in cases that reached the time limit 6 months and 18 months later, and how their lives have changed since they lost their TANF benefits. An important caution is that this study is descriptive. It cannot show whether changes occur in people's lives because of the loss of TANF benefits or whether these changes would have happened anyway, because there is no control or comparison group to show what would have happened to these families without a time limit.

This first report covers the experiences of families that reached the time limit in early 1998 in approximately the first six months after their benefits ended. The research questions this report addresses are as follows:

1. ***Who reached the time limit and why?*** What are the characteristics of families that reached the time limit? How many were in compliance with VIEW for the full 24 months, and how many had been sanctioned? Did families have a plan for coping with the time limit? If so, were they able to follow their plan?
2. ***To what extent were heads of families who reached the time limit able to find jobs and stay employed?*** How many were working before benefits ended? How many worked after benefits ended? What types of jobs did they hold? Were family heads able to increase their employment or earnings after benefits ended?

⁴The other four studies are (1) an early impact and outcomes analysis, based on cases randomly assigned to VIP/VIEW or to the old AFDC and JOBS programs; (2) an implementation study of VIP/VIEW; (3) an impact and implementation study of VIEW-PLUS, a new job retention program; and (4) a study of VIEW-exempt cases, focusing on "child-only" cases.

3. *To what extent are time limit families moving toward self-sufficiency?*

- Are time limit families using transitional programs or other programs for which they may be eligible, such as food stamps, Medicaid, child care assistance, transportation assistance? If not, why not?
- How much are they relying on help from family and friends? How much are they using community agencies?

4. *How are families doing?*

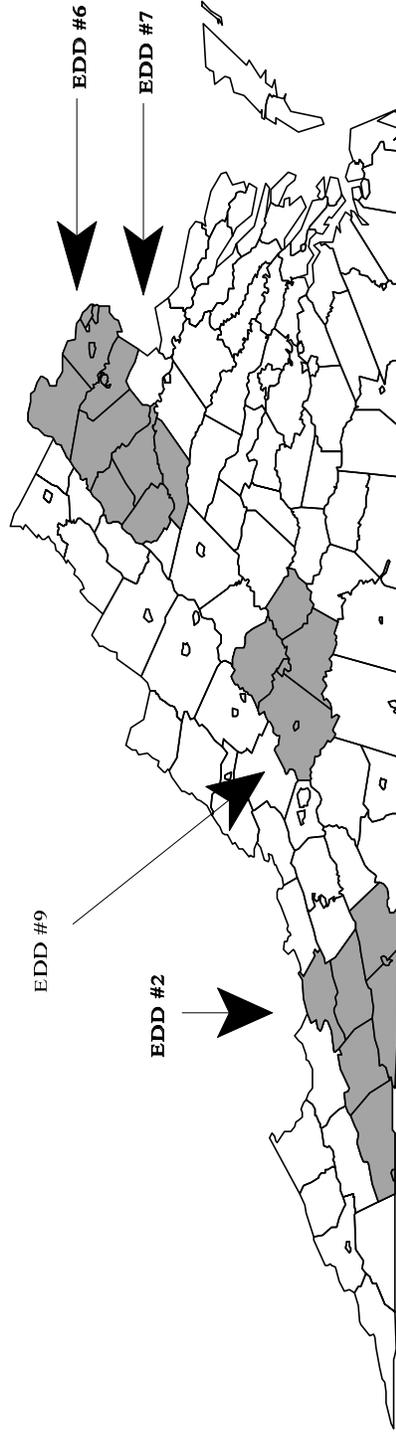
- How many families are having problems meeting their basic needs and those of their children? Indicators of problems meeting basic needs considered in this report include (1) household income had declined by 10 percent or more since the case closed, (2) household income was below 50 percent of the poverty level in the month before the interview, (3) the respondent reported visiting a food pantry or soup kitchen since the case closed, (4) the respondent reported being homeless since the case closed, (5) the respondent reported lacking health insurance.
- How many families are doing better? Indicators of clients who are doing better include (1) household income that had increased by 10 percent or more since the case closed, (2) household income above 130 percent of the poverty level.

5. *What is the situation of children in families that have lost benefits?* What types of child care arrangements do children experience? Are children being sent to live with relatives? Are they receiving child support?

Results in this report are preliminary for several reasons. The 1998 group of time limit cases is small and is drawn from selected parts of the state. Because VIEW was implemented gradually, the only sites to have cases reach the time limit in early 1998 were those that implemented VIEW early, in late 1995 or early 1996. Thus, these cases are drawn from only 4 of Virginia's 18 Economic Development Districts (EDDs): District 2, the Bristol/Galax area, a rural area in the southwest; District 6, the large urban and suburban counties in Northern Virginia near Washington, DC; District 9, the Lynchburg area, in the Piedmont region; and District 7, the Culpeper area, which is also largely rural and was the first place to implement VIEW (see Figure I.1). Furthermore, these cases reached the time limit in close to the minimum time allowed--so most would have been in

FIGURE I.1

VIRGINIA ECONOMIC DEVELOPMENT DISTRICTS THAT CONTAIN CASES
IN THE 1998 TIME LIMIT COHORT



NOTE: Only EDDs that implemented VIEW before July 1996 had cases reach the time limit by June 1998. These EDDs are highlighted in this figure.

VIEW for at least 24 consecutive months. Over time, more cases are likely to reach the time limit after several periods on and off TANF. To learn more about cases that reach the time limit in other parts of the state, we are conducting interviews with additional cohorts of cases that reached the time limit in early 1999 and early 2000.

This report covers data for only about six months after the case closed. To obtain longer-term follow-up data, we will interview the 1998 and later cohorts of time limit cases again starting 18 months after the case closed. These interviews, and associated analyses of administrative data, will examine work histories and self-sufficiency over a longer period. Another focus of the 18-month interviews will be how time limit families that use transitional benefits cope with the end of their 12 months of eligibility.

C. DATA AND METHODOLOGY

1. Study Universe

This report is based on all Virginia TANF cases that closed because they had reached the 24-month time limit between February 1, 1998, and June 30, 1998.⁵ As noted above, because of the staggered implementation of VIEW in Virginia, only a few parts of the state had cases reach the time limit during this period.

Identifying time limit cases was a complex process that involved several steps. VDSS evaluation staff initially identified VIEW cases that were in their 23rd month of benefits in order to obtain enhanced contact information on these cases.⁶ Several months later, before data collection

⁵Cases that reached the time limit but were granted hardship extensions were excluded from the study universe; there were very few of these cases.

⁶VDSS notified caseworkers to update the contact information on these cases when they conducted exit interviews. In addition, caseworkers were asked to obtain information on a relative or friend who would know how to reach the case head if possible. Caseworkers submitted the contact information to VDSS evaluation staff on a standard form, and VDSS created a sample database and forwarded it and the forms to MPR.

began, VDSS staff checked administrative records to determine whether the case had closed because of the time limit.⁷ Cases that had not closed because of the time limit were discarded.⁸ During and after the survey period, a few cases were dropped from the study universe because further scrutiny of administrative records indicated either that they had closed before using up their 24 months of eligibility, that they had received an extension, or that they were otherwise not part of the study universe.

After final cleaning, the universe of cases reaching the time limit during February through June 1998 (referred to henceforth as the 1998 cohort) includes 328 cases. Administrative data for the full universe was analyzed. A six-month follow-up interview was attempted with all cases in this universe, as discussed next.

2. Survey Methods

MPR conducted the six-month follow-up survey with the 1998 cohort of time limit families using computer-assisted telephone interviewing. The interview took about 40 minutes on average.

Each month from August to December 1998, MPR began interviews with time limit cases that had closed six months earlier. Thus, interviews with cases that closed in February began in August, interviews with cases that closed in March began in September, and so forth. For cases not reached, interview attempts continued through the end of the survey period, in early February 1999. Most cases were interviewed from 6 to 8 months after the case closed (89 percent), but the remaining cases were interviewed from 9 to 12 months after the case closed.

⁷Records were checked for a closure date within the study period.

⁸Some cases had closed in the 23rd month and had thus not reached the time limit. Other cases became exempt or were granted extensions.

Survey operations proceeded in several stages. A week before interviews were scheduled to begin with each part of the sample, an advance letter was sent to the respondents in that group explaining the study and the availability of a \$10 incentive for completing the interview. The letter asked respondents to call MPR's toll-free number to complete the interview at their convenience. Those who did not call or were not reached by the interviewers within a few weeks were referred to MPR's locating department, which used methods such as address corrections, reverse phone directories, and checks with on-line databases from credit bureaus to find updated addresses or phone numbers. In addition, VDSS staff checked their data systems for updated information several times during the field period and found some new addresses or phone numbers. To reach respondents who did not have phones or whose phone number was not available, MPR locating staff sent letters to each new address identified, requesting that the respondent call MPR's toll-free number. If an address was believed to be current but there was no phone or no number found, additional letters were sent regularly, with content and formats varied to get the respondent's attention.

After phone center staff had tried for several weeks to obtain interviews through phone and letter contacts, cases not reached were assigned to field staff if likely addresses had been identified. Field staff tried to locate the respondent in person. When respondents were not home, the locator left a note and, in some cases, checked with neighbors to ensure that the address was correct. When respondents were found, the field locator asked them to call MPR from an available phone or to use a cellular phone provided by the locator. The field locators were able to pay the respondents immediately if they completed the interview.

Between August 1998 and February 1999, 256 interviews with respondents who reached the time limit were completed. Another 13 cases were not interviewed because of language barriers, as limited resources precluded interviewing non-English speakers. One respondent was deceased and

one was too impaired to do the interview. Thus, the response rate was 82 percent among those eligible to complete the interview, or 78 percent of the full universe.

3. Administrative Data Sources

VDSS provided administrative data on case characteristics and on each case's TANF eligibility and benefits history for up to seven years before the case closed. Information was also provided on the VIEW status of each case and on sanctions received before the case closed. Furthermore, information was provided on food stamp benefits and child care assistance benefits received by each case, both before and after the TANF case closed. Additional sources of administrative data will be examined in future reports.

4. Comparison of Respondents and Nonrespondents

Because of the high response rate to the survey, the respondents closely mirror the full sample (Table I.1). However, there were several statistically significant differences between respondents and nonrespondents. Respondents were almost two and a half years younger, on average, than nonrespondents and a half year younger than the full sample. Respondents were more often in their twenties or thirties and less often were forty or older. Respondents were less likely to be Asian, because people who did not speak English were not interviewed.

There were significant differences in the education levels of respondents and nonrespondents. Respondents were much more likely than nonrespondents to have completed a GED program instead of receiving a regular high school diploma. Thirty-four percent of respondents had a regular

TABLE I.1
CHARACTERISTICS OF TIME LIMIT CASES

	Respondents (n=256)	Nonrespondents (n=72)	Full Sample (n=328)
Age			
20 to 29	33.2	26.4	31.4
30 to 39	49.6	40.3	47.6
40 and older	17.2	33.3***	20.7
Mean Age	33.3	35.7***	33.8
Sex			
Female	98.0	97.2	97.9
Male	2.0	2.8	2.1
Race/Ethnicity			
African American, non-Hispanic	52.3	43.1	50.3
White, non-Hispanic	42.6	38.9	41.8
Asian	1.2	11.1*	3.4
Hispanic	3.9	5.6	4.3
American Indian	0.0	1.4	0.3
Education Level ^a			
8th grade or less	8.7	7.1	8.2
9th grade to 11th grade	32.0	31.4	31.9
12th grade	34.0	48.6**	37.1
GED	13.7	4.3**	11.7
1 to 2 years college	7.8	2.8	6.8
3 to 4 years college	0.0	2.9***	0.6
College graduate	0.4	0.0	0.3
Other postsecondary	3.5	2.8	3.4
Number of Children in Case			
0	0.8	0.0	0.6
1	32.8	31.9	32.6
2	32.4	29.2	31.7
3	23.8	24.0	24.1
4+	10.2	13.9	10.9
Mean	2.2	2.3	2.2

TABLE I.1 (continued)

	Respondents (n=256)	Nonrespondents (n=72)	Full Sample (n=328)
Case Size			
1	0.8	0.0	0.6
2	32.8	31.9	32.6
3	32.4	29.2	31.7
4	23.8	25.0	24.1
5+	10.2	13.9	10.9
Mean	3.2	3.3	3.2
Mean TANF Benefit (closing month, all cases)	\$269	\$260	\$267
Mean TANF Benefit (closing month, cases with benefits)	\$297	\$318	\$301
No Benefit in Month of Closing (percentage of cases)	9.4	18.1**	11.3
Economic Development District (percentage of cases)			
2 Bristol/Galax	29.3	20.8	27.4
6 Northern Virginia	36.7	47.2	39.0
7 Culpeper	3.5	6.9	4.3
9 Lynchburg	30.5	25.0	29.3

SOURCE: VDSS Administrative Data.

NOTE: Statistical tests for differences between respondents and nonrespondents were conducted for all variables.

*Significantly different at the .10 level, two-tailed test.

**Significantly different at the .05 level, two-tailed test.

***Significantly different at the .01 level, two-tailed test.

^aTwo cases were missing education information.

diploma, compared to 49 percent of nonrespondents, but almost 14 percent of the respondents had a GED, compared to 4 percent of the nonrespondents.

Respondents and nonrespondents did not differ significantly in the number of children included in the TANF case, the case size, or the TANF benefit amount in the final month on TANF. They did differ significantly, however, in the percentage who received no benefit in their final month because they were subject to a VIEW sanction. Only half as many respondents (9.4 percent) as nonrespondents (18.1 percent) received no benefit as the result of a sanction.

There were no statistically significant differences in the location of respondents and nonrespondents at the time of case closure, but respondents were more often located in EDD 2 (Bristol/Galax) or 9 (Lynchburg) and were less likely to be in EDD 6 (Northern Virginia) or 7 (Culpeper).

5. Analysis Methods

This report presents descriptive statistics on all cases that reached the time limit during the study period or on the sample who responded to the six-month follow-up survey. Statistics such as frequency distributions, means, and medians are presented. In a few cases, data are broken down by subgroups of the sample, such as those currently employed when interviewed versus those not employed.

In some instances, we compare the results from the time limit survey to those from the Virginia Closed Case Survey of people who left TANF in late 1997.⁹ The Closed Case Survey described the experiences of a random sample of VIEW-mandatory cases who had left TANF--nearly all before reaching the time limit--in the 12 months or so after their cases closed. The sample included both cases that had left TANF because of increased income and cases that were closed because of a

⁹Full results from the Virginia Closed Case study are reported in Kuhns et al. (1999).

sanction or because they were otherwise not meeting program requirements. The Closed Case Survey included cases from a broader geographic area than the time limit survey and also had a longer follow-up period, so direct comparisons with the time limit survey data must be made with caution. Chapters II and IV compare characteristics and employment experiences of the two groups of cases in the six months after the case closed, using a subset of the Closed Case sample drawn from the same localities as the time limit sample, in order to make the two groups as similar as possible.

II. CHARACTERISTICS OF TIME LIMIT FAMILIES

Many families have left welfare since the implementation of welfare reform. This chapter focuses on the characteristics of families that stayed on TANF until the time limit and on how they compare to other TANF families, including those who left before reaching the time limit.¹ It also examines why they reached the time limit, both as indicated in the administrative data and as reported by the families themselves.

The time limit families were similar in many ways to other TANF families but also had some characteristics that may have made them more likely to remain on TANF until they reached the time limit.

- The head of a typical time limit family was a woman in her thirties, but almost a fifth were forty or older. Most parents had one or two children, but a third had three or more. About half the parents were African American, and about 40 percent were white. The vast majority were single mothers. Forty percent had not completed high school or received a GED.²
- Parents in time limit families tended to be older than VIEW participants from the same communities who left TANF before reaching the time limit. They also had larger families.
- Most time limit families had been on TANF for a long time.³ Two-thirds first enrolled in TANF more than five years before reaching the time limit. Taking into account periods off TANF, more than half received benefits for longer than five years.

¹Data presented are for all time limit cases included in the 1998 cohort, not just survey respondents, except for the discussion of how aware former clients were of the time limit and how they planned to cope with it, which is necessarily based on survey data.

²Characteristics of the time limit cases are as reported at the time of case closure.

³For simplicity, the term TANF is used even when referring to the period when the program was known as AFDC.

- Most time limit parents complied with VIEW rules, but over a quarter were sanctioned at least once for not meeting requirements such as job search or finding employment or accepting a CWEP position within ninety days of enrollment. Most were sanctioned for three months or less, but a small group was sanctioned for much longer, some for almost all their time in VIEW. Younger parents were sanctioned more often.
- About half the survey respondents reported they had planned to stay on TANF until they reached the time limit. Others had planned to leave earlier, but their plans did not work out. Most said their plan for coping with the time limit was to find a job or obtain a better job.

A. WHO REACHED THE TIME LIMIT?

1. Demographic Characteristics of Time Limit Families

Time limit parents were almost all women (98 percent) (Table II.1). Their average age was 34 years. Approximately 32 percent were in their twenties, 48 percent in their thirties, and 21 percent age 40 or older. Half were African American and 42 percent were white. A small number of time limit parents were Asian (3 percent), Hispanic (4 percent), or American Indian (less than 1 percent). The vast majority were single parents.¹

Sixty percent of the time limit parents had either a high school diploma or a GED. Eleven percent also had some postsecondary education, including 8 percent with college experience and 3 percent with vocational training.

Most families had one or two children included in the TANF case, but one-third had three or more. The mean number of children in the TANF case was 2.2.² The mean case size was 3.2. As noted in Chapter I, this group of time limit cases came from the four EDDs that first implemented VIEW. Almost 40 percent lived in northern Virginia. The rest were divided almost evenly between the Bristol/Galax area and the Lynchburg area, with a few cases in the Culpepper region.

¹See Chapter VI for data on marital status.

²All children are counted including grandchildren or other related children who are included in the TANF case.

TABLE II.1

DEMOGRAPHIC CHARACTERISTICS OF TIME LIMIT CASES

	Percentage or Mean
Age	
Less than 30	31.7
30 to 39	47.6
40 and older	20.7
Mean	33.8
Sex	
Female	97.9
Male	2.1
Race/Ethnicity	
Black, non-Hispanic	50.3
White, non-Hispanic	41.8
Asian	3.4
Hispanic	4.3
American Indian	0.3
Education Level ^a	
8th grade or less	8.2
9th grade to 11th grade	31.9
12th grade	37.1
GED	11.7
1 to 2 years college	6.8
3 to 4 years college	0.6
College graduate	0.3
Other postsecondary	3.4
Number of Children in Case	
0	0.6
1	32.6
2	31.7
3	24.1
4+	10.9
Mean	2.2

TABLE II.1 (continued)

	Percentage or Mean
Case Size	
1	0.6
2	32.6
3	31.7
4	24.1
5+	10.9
Mean	3.2
Place of Residence (Economic Development District)	
2 Bristol/Galax	27.4
6 Northern Virginia	39.0
7 Culpeper	4.3
9 Lynchburg	29.3
Sample Size	328

SOURCE: VDSS Administrative Data.

^aTwo cases were missing education information.

2. TANF History

The time limit families received an average benefit of \$267 in their final month on TANF (Table II.2). However, 11 percent did not receive any benefit that month, because they had been sanctioned for failure to meet VIEW program requirements and had their payment suspended. The mean benefit received by families that were not being sanctioned was \$301.

By definition, the time limit families had been TANF recipients for at least 24 months. Since the families included in this study were among the first ones in the state to reach the time limit, it was expected that many of them were receiving benefits before welfare reform and then reached the time limit after their locality implemented the VIEW program. This expectation is supported by the data. The typical parent in these early time limit families first became a TANF recipient many years earlier.⁶ Two-thirds (67 percent) of the families received their first TANF benefit more than five years before reaching the time limit. Over half (53 percent) first enrolled more than six years before reaching the time limit.

Even though two-thirds of the families first received benefits more than five years before reaching the time limit, they were not all continuously enrolled in TANF. Some families left TANF but later returned. Even when time off TANF is taken into account, however, most time limit families were long-term recipients. Fifty-three percent received benefits in twenty-one or more calendar quarters, the equivalent of more than five years. Thirty-one percent were enrolled for

⁶Data on the first time a parent participated in TANF, length of time on TANF, and length of most recent spell on TANF are approximate. The data for these analyses came from the Pattern File created by VDSS. That file shows who was participating in TANF at the beginning of each quarter of the year, so brief exits from TANF may be missed and the length of time on TANF slightly overestimated. Similarly, participants who enrolled in a given quarter after the data extract for that quarter was created would not be recorded as participants until the following quarter, resulting in an underestimation of their time on TANF. The Pattern File goes back to July 1991.

TABLE II.2
TANF HISTORY OF TIME LIMIT CASES

	Percentage or Mean
Mean TANF Benefit (closing month, all cases)	\$267
Mean TANF Benefit (closing month, cases with benefits)	\$301
No Benefit in Month of Closing	11.3
First TANF Participation	
24 months before case closure	4.6
25 to 36 months before case closure	7.9
37 to 48 months before case closure	10.4
49 to 60 months before case closure	10.1
61 to 72 months before case closure	14.3
More than 72 months before case closure	52.7
Total TANF Participation	
12 quarters or less (up to 3 years)	15.9
13 to 16 quarters (up to 4 years)	13.7
17 to 20 quarters (up to 5 years)	17.7
21 to 24 quarters (up to 6 years)	21.7
25 quarters or more (more than 6 years)	31.1
Most recent spell on TANF (consecutive quarters)	
12 quarters or less (up to 3 years)	39.9
13 to 16 quarters (up to 4 years)	14.6
17 to 20 quarters (up to 5 years)	11.3
21 quarters or more (more than 5 years)	33.5
Any VIEW Sanction	29.0
Total Months of VIEW Sanction (only cases with a sanction, n=95)	
3 months or less	54.7
4 to 6 months	21.1
7 to 9 months	3.2
10 months or more	21.1
Mean Months of VIEW Sanction (only sanction cases, n=95)	5.6

TABLE II.2 (continued)

	Percentage or Mean
Sanction Rate by Age** (all cases in age group)	
20 to 29	37.5
30 to 39	27.6
40 or older	19.1
Sample Size	328

SOURCE: VDSS Administrative Data.

*Significantly different at the .10 level, two-tailed test.

**Significantly different at the .05 level, two-tailed test.

***Significantly different at the .01 level, two-tailed test.

twenty-five or more quarters, the equivalent of more than six years. Sixteen percent received benefits for three years or less.

Another way to view the length of TANF participation is to look at how long families were continuously enrolled in TANF immediately prior to reaching the time limit. Almost 40 percent of the cases were open for three years or less, but a third were open every quarter for more than five years before reaching the time limit, another indication that many families were long-term recipients.

3. VIEW Sanctions

Most families complied with VIEW requirements throughout their 24 months in VIEW. Twenty-nine percent, however, were sanctioned at least once for failure to cooperate with VIEW policies (Table II.2). VIEW participants were required to look for employment immediately, to make a specific number of job contacts each week until employed, and to accept a CWEP position if they did not have employment at the end of 90 days. If they failed to meet one of these requirements, either initially or after losing a job, their TANF payments were suspended. Their 24-month clock continued to run, however, unless they closed their case. That is, the time during which their payments were suspended continued to count against their 24 months of TANF eligibility.

Most former recipients who had been sanctioned acted fairly quickly to comply with VIEW policies and end their sanction. A majority (55 percent) were sanctioned for three months or less.⁷ However, because the mean is affected by a number of cases that were sanctioned for a long period of time, the mean number of months cases were under sanction was 5.6. Twenty-one percent of the sanctioned cases were penalized for between 10 and 22 months of their 24-month enrollment in

⁷Sanction data for this analysis were taken from a VDSS file of cases that had payments suspended because of a VIEW sanction.

VIEW. These cases constituted six percent of all the time limit cases (20 cases). Eighteen of those 20 cases were being sanctioned, and received no payment, during their final month on TANF.

Younger parents were the ones most likely to have had at least one VIEW sanction. Over a third (38 percent) of parents in their twenties had been sanctioned, compared with a quarter (28 percent) of those in their thirties and a fifth (19 percent) of those age 40 or older.

B. COMPARISON WITH OTHER GROUPS OF TANF CASES

This section compares the time limit cases with two other groups to see whether they are different from VIEW cases still on TANF or VIEW cases that closed before reaching the time limit. Data on VIEW participants are for January 1998 VIEW cases in the same EDDs in which the time limit families lived. Data on cases that closed before reaching the time limit are from the Closed Case study (see Chapter I) and include only cases from the relevant EDDs.

Time limit families did differ in some respects from VIEW cases still on TANF and from cases that closed before reaching the time limit. Table II.3 compares time limit families with other TANF families from the same EDDs.⁸

Time limit parents were somewhat older than parents in the other groups. The time limit parents were two and a half years older, on average, than the parents in the closed case sample and two years older than VIEW parents as a whole. The time limit families included fewer parents under age 30, and more in older age groups. Almost half the parents in both of the other groups of VIEW cases were under 30, compared with a third (36 percent) of the time limit parents.⁹

⁸ It was not possible to test for statistically significant differences among these three groups, so no statistics on the significance of the differences are reported.

⁹Time limit parents may have been older in part because older recipients were more likely to have been on TANF for 24 months.

TABLE II.3
COMPARISON OF TIME LIMIT CASES, OTHER
CLOSED CASES, AND ALL VIEW CASES

	Time Limit Sample (n=328)	Closed Case Sample ^a (n=402)	VIEW Mandatory Cases ^b (n=3,249)
Age (percentage distribution)			
Under 30	36	48	46
30 to 40	48	42	39
Over 40	16	11	15
Mean Age (years)	33.9	31.3	31.8
Education Level ^b (percentage distribution)			
8th grade or less	8.2	8.5	9.6
9th grade to 11th grade	31.7	26.9	33.6
12th grade	36.9	37.8	41.1
GED	11.6	8.5	7.9
Any postsecondary	11.0	9.5	7.7
Data missing	0.6	9.0	0.0
Number of Children in Case (percentage distribution)			
1 ^c	33.2	48.0	39.0
2	32.0	36.1	32.9
3	23.9	10.2	17.7
4	10.9	5.0	9.9
Mean Number of Children	2.2	1.7	NA
Race (Percent Distribution)			
African American	51	48	53
White	42	40	37
Other/unknown	8	12	10

SOURCE: VDSS Administrative Data.

^a Data for the Closed Case sample are based on a sample of VIEW-mandatory cases that closed in mid-1997. Only cases in the same localities as the time limit sample (EDDs 2, 6, 7, and 9) were included in the tabulations.

^b Active cases in January 1998 in EDDs 2, 6, 7, and 9.

^c Includes a few cases where the child was not included in the TANF case, for instance, if the child was receiving SSI.

The time limit parents had larger families than the VIEW-mandatory parents whose cases closed before reaching the time limit (Closed Case parents). The time limit parents had an average of 2.2 children in the household, compared with 1.7 children in Closed Case households. In the Closed Case sample, almost half of the cases consisted of just one child, compared with a third of the time limit cases. Almost 35 percent of the time limit cases included three or more children, compared with 15 percent among the Closed Case sample. Larger family size may have contributed to families remaining on TANF until the time limit. Mothers with larger families to support may have decided to keep the TANF benefit for as long as possible. The educational level and ethnic composition of time limit parents were similar to those of parents in the other groups.

C. TIME LIMIT KNOWLEDGE AND PLANS

The six-month follow-up survey of heads of families who reached the time limit asked a series of questions about families' knowledge of the time limit and the plans they made for coping with it. These responses should be interpreted with some caution, since they came after the fact.

About half the respondents reported learning about the time limit either when they entered VIEW or before (Table II.4). About three percent learned of it only when their benefits ended. Others heard about it in the midst of their VIEW participation (43 percent) or did not remember when they learned about it (4 percent).

Among parents aware of the time limit before their case closed, half reported they had planned to stay on TANF for 24 months (Table II.5). Most (59 percent) reported that their plan to prepare for the end of cash assistance was to find a job or move to a better job. Others plans mentioned included keeping a current job (13 percent), saving money (12 percent), obtaining education or training (11 percent) or working more hours (8 percent). The strong employment focus of these plans is in keeping with the philosophy and requirements of the VIEW program.

TABLE II.4
LEARNING ABOUT THE TIME LIMIT

	Percentage
When Did Respondent Learn About the Time Limit?	
When respondent applied for cash assistance	21.6
In the beginning of respondent's VIEW participation	28.6
Later during VIEW participation	43.1
After benefits ended	3.1
Does not know	3.5
Sample Size	255

SOURCE: Virginia Time Limit Study, Six-Month Follow-Up Survey, 1998 Cohort.

TABLE II.5

PLANS FOR COPING WITH THE TIME LIMIT

	Percentage
Among Cases That Knew of Time Limit Before Case Closed:	
Did Respondent Plan to Stay on TANF for 24 Months?	
Planned to stay on for 24 months	49.8
Planned to leave before 24 months	36.4
Neither/made no plan	10.1
Don't know	3.6
Sample Size	247
Plans Made to Prepare for End of Cash Assistance (multiple answers allowed):	
Find a job or move to a better job	58.5
Keep current job	12.5
Save money/spend less/budget better	12.1
Get education or training	10.5
Work more hours or take second job	8.1
Other plans	4.0
Made no plans/don't know	0.8
Sample Size	248
Among Cases That Knew of the Time Limit and Made Plans:	
Did Plans Work Out?	
Yes	56.4
No	38.6
Some worked, others did not	5.0
Sample Size	220
Among Cases Whose Plans Did Not All Work Out, Reasons Plans Did Not Work Out (multiple answers allowed):	
Couldn't find a job/no job	19.3
Laid off/business closed/lost job	17.0
Got sick or injured/couldn't work	11.4
Transportation problems	6.8
Child care problems	3.4
Did not get a chance to finish school	3.4
Other reasons	15.9
Sample Size	88

SOURCE: Virginia Time Limit Study, Six-Month Follow-Up Survey, 1998 Cohort.

More than half (56 percent) reported that their plans had worked out. Not surprisingly, those who had planned to stay on for 24 months were more likely than those who had wanted to leave TANF earlier to report that their plans had worked out.¹⁰

Most respondents reported that components of the VIEW program helped them in meeting their goals for self-sufficiency (Table II.6). More than half the sample mentioned “knowing they would be sanctioned if they did not cooperate” and “support from their caseworker” as factors that helped them to reach their goals. At least 40 percent of the sample reported that VIEW’s assistance with job search, child care, and transportation helped them achieve their goals.

¹⁰Among those who planned to stay on for 24 months (n=111), 63 percent reported that all their plans had worked out (not shown in table). Among those who had planned to leave before 24 months (n=84), 43 percent reported that all their plans had worked out.

TABLE II.6

RESPONDENTS' PERCEPTIONS OF THE VIEW PROGRAM

	Percentage
Agreed That the Following Components of the VIEW Program Helped Them Work Toward Their Goals:	
Knowing they would be sanctioned if they did not cooperate	72.5
Support from caseworker	60.2
Job search training	49.4
Help finding or paying for child care	42.1
Help with transportation	40.4
Job placement help	34.2
Education	30.5
Job training	30.1
Referrals to other services	25.8
CWEP or work experience placement	17.0
Sample Size	240

SOURCE: Virginia Time Limit Study, Six-Month Follow-Up Survey, 1998 Cohort.

NOTE: Samples responding for specific items ranged from 230 to 240.

III. EMPLOYMENT

VIEW was intended to promote employment both as an end in itself and as a path to self-sufficiency. Because of VIEW's work requirement, we expected that most heads of families that reached the VIEW time limit had been working but were finding it more difficult to achieve self-sufficiency. Data on the employment experiences of survey respondents and the characteristics of the jobs they held during the 6 to 12 months after their cases closed confirm this expectation. In particular:

- ***Nearly all respondents worked, and most worked steadily.*** About 86 percent of respondents worked at some point after their case closed. Among those who worked, 63 percent worked in every month from the time the case closed until the interview.
- ***More respondents worked after their TANF case closed.*** About 63 percent were working in the month the case closed, and 71 percent were working at the time of the interview, seven months later on average.
- ***Respondents held primarily low-skill, low-paying jobs.*** Two-thirds of respondents worked at least 30 hours per week. Jobs held by respondents were predominantly in service or sales occupations, and paid about \$6 per hour, on average. Forty-two percent of jobs offered health benefits and paid vacation, and 26 percent offered paid sick leave.
- ***Child care and transportation subsidies were used by some working time limit families, and others did not need them.*** Just under one third of working time limit families reported receiving a child care subsidy, one third reported they chose not to participate in a subsidy program, and another third either were not aware they were eligible for a subsidy or were not eligible. Less than 15 percent of working families received a transportation subsidy in these early VIEW sites, but most had access to cars and drove or got a ride to work.
- ***Time limit respondents were more likely to work than those whose cases closed for other reasons.*** They were more likely to work in each of the six months after case closure than TANF leavers whose cases closed before the time limit.
- ***Nonetheless, time limit respondents had lower earnings and lower-level jobs than other TANF leavers.*** They earned less per hour in their jobs than TANF leavers who did not reach the time limit. In addition, time limit respondents worked fewer hours,

were less likely to hold administrative support jobs, and were less likely to hold jobs that offered standard benefits than other TANF leavers.

In sum, most time limit respondents worked steadily in the period immediately after their cases closed. However, they held primarily low-skill jobs and, on average, earned only slightly more than the minimum wage. Whether time limit respondents can achieve long-term self-sufficiency will depend on whether the characteristics of their jobs improve over time.

A. WORK EXPERIENCE SINCE THE CASE CLOSED

Most respondents worked, and more worked over time (Table III.1). Between case closure and the interview, 86 percent worked at some point. Most were working when their TANF case closed, so the increase in work was modest. At the time the case closed, 63 percent were working. By the time of the interview, six to eight months later for most, 71 percent were working.¹

Among those who worked, most worked steadily (Table III.2). About 63 percent of workers worked every month. On average, those who ever worked were employed for 82 percent of the months between case closure and the interview.

Most respondents held only one job. Among those who worked, 77 percent held one job between case closure and the interview, 19 percent held two jobs, and about 4 percent held three or more jobs.

¹It is not possible to determine whether time limit respondents increased their hours in their current jobs when the case closed, since the survey asked only about average hours for each job. Questions about changes in hours within jobs will be added to future surveys.

TABLE III.1

WORK EXPERIENCE SINCE CASE CLOSED
(All Respondents)

	Percentage of Respondents
Employed Month Case Closed	62.5
Employed at Interview	71.0
Ever Employed Since Case Closed	85.5
Sample Size	256

SOURCE: Virginia Time Limit Study, Six-Month Follow-Up Survey, 1998 Cohort.

TABLE III.2

JOB RETENTION
(Respondents Who Ever Worked)

	Percentage of Respondents or Mean Value
Percentage of Months Worked Since Case Closed	
Less than 25	5.4
25 to 50	14.8
50 to 75	11.3
75 to 99	5.9
100 percent	62.6
Average Percentage of Months Worked	82.2
Number of Jobs Held	
One	77.1
Two	18.5
Three or more	4.4
Sample Size	219

SOURCE: Virginia Time Limit Study, Six-Month Follow-Up Survey, 1998 Cohort.

NOTE: There were 219 respondents who worked. Because of missing data on job history, the sample used in calculating percentages is 203 for percentage of months and 205 for number of jobs.

Among time limit respondents who worked after their TANF case closed, over two-thirds were initially employed in jobs they had obtained before their case closed (Table III.3). About 69 percent of time limit respondents who worked after the case closed had started their first post-time limit job before their case closed; 47 percent had started their job more than six months before their case closed, and 22 percent had started their job six months or less before their case closed. Another five percent had a job within a month after the case closed. Most of the rest (about 23 percent) found their first job one to six months after the case closed, leaving only a few (about 3 percent) without a job until six months or more after the case closed.

Some left their jobs, but most who did found new jobs quickly. Among those who worked, one-third left their initial job between case closure and the interview (Table III.4). Some of these job leavers may have had the job for some time before the case closed. About 21 percent both left a job and started a new job during the follow-up period, which suggests that about two out of three job leavers found new jobs fairly quickly.

Most job exits were the result of decisions made by time limit respondents (Table III.4). About 57 percent of respondents who left their first job reported quitting. In contrast, 34 percent of respondents who left their first job reported that employers initiated their job exit. Fourteen percent were fired, and 20 percent were laid off or had a seasonal or temporary job end. About nine percent reported other personal reasons for job exit, including accident, illness, and transportation problems.

B. JOB CHARACTERISTICS

The jobs that respondents held after case closure were mainly entry-level service jobs, were often part-time, and paid low hourly wages (Table III.5). Nearly half (47 percent) of the current or

TABLE III.3

START OF FIRST JOB, AMONG THOSE WHO
WORKED AFTER CASE CLOSED

First Job Started	
More than six months before case closed	47.1
One to six months before case closed	22.1
In the month the case closed	4.9
One to three months after	11.8
Three to six months after	10.8
Six months or more after	3.4
Sample Size	219

SOURCE: Virginia Time Limit Study, Six-Month Follow-Up Survey, 1998 Cohort.

TABLE III.4
 MOVEMENTS BETWEEN JOBS, AMONG THOSE
 WHO WORKED AFTER CASE CLOSED
 (Percentages)

Left a Job During Follow-Up Period	33.0
Left a Job but Found Another	20.7
Sample Size	219
Reason for Leaving Job, Among Those Who Left Job	
Quit	57.1
Laid off or job ended ^a	19.9
Fired	14.3
Other	8.6
Sample Size	70

SOURCE: Virginia Time Limit Study, Six-Month Follow-Up Survey, 1998 Cohort.

NOTE: Reason for the first job exit is reported for respondents who had left more than one job. Other reasons for job exit include accident, illness, and transportation problems.

^aIncludes end of seasonal or temporary jobs.

TABLE III.5

CHARACTERISTICS OF JOBS HELD BY TIME LIMIT RESPONDENTS

Job Characteristics	Percentage or Mean
Average Monthly Earnings (n=204)	\$894
Average Hours per Week (n=204)	33.5
Average Hourly Wage (n=203)	\$5.99
Hours Per Week (n=204)	
Less than 30	32.8
30 to less than 35	9.8
35 or more	57.4
Occupation (n=205)	
Service	47.3
Sales	23.9
Administrative support	10.7
Precision, production, craft, and repair	7.3
Operators, fabricators, and laborers	6.3
Managerial and professional specialty	3.4
Technical	0.5
Other	0.5
Industry (n=204)	
Retail trade	36.8
Professional and related services	23.0
Personal services	14.2
Business and repair services	9.8
Manufacturing	8.8
Transportation, communications, and other public utilities	2.0
Entertainment and recreation services	2.0
Public administration	1.5
Agriculture, forestry, fisheries, mining, and construction	1.0
Finance, insurance, real estate	0.5
Other	0.5
Available on the Job:	
Health benefits (n=189)	42.3
Paid sick leave (n=181)	26.0
Paid vacation (n=189)	43.4

TABLE III.5 (continued)

Job Characteristics	Percentage or Mean
Among Those with Health Benefits, Percentage Enrolled (n=80)	28.8
Among Those with Health Benefits but Not Enrolled, Reason Did Not Enroll (n=57)	
Cost	36.8
Had not worked long enough	35.1
Covered by Medicaid	17.5
Did not want	3.5
In process of enrolling	1.8
Part-time employee	1.8
Other insurance plan	1.8
Other	1.8
Sample Size	219

SOURCE: Virginia Time Limit Study, Six-Month Follow-Up Survey, 1998 Cohort.

NOTE: Characteristics of the current or most recent job are reported for respondents who had more than one job. Characteristics of the job with the highest monthly earnings were reported for former TANF clients who held more than one job simultaneously.

most recent jobs that respondents held were in service occupations. Furthermore, almost all the service jobs were in three low-skill categories: food and beverage preparation, health services, or commercial cleaning/building services.² Fully 67 percent of respondents worked 30 or more hours per week in their current or most recent job, the definition of full-time work used in Virginia's TANF program, and 57 percent of respondents worked 35 hours or more per week, the usual definition of full-time work. At the same time, 33 percent worked less than 30 hours per week. The average hourly wage was \$5.99, and average monthly earnings were \$894.

Most jobs did not offer benefits. Of the jobs held by respondents between case closure and the interview, health benefits were available in 42 percent and paid vacation was available in 43 percent. Paid sick leave was part of the compensation package for 26 percent of jobs. Availability of benefits for this sample is comparable to that found by Rangarajan et al. (1998) for the first jobs held by a national sample of young welfare leavers.

Nearly three-quarters (71 percent) of respondents whose jobs offered health benefits did not enroll in their company's plan. Among these respondents, 37 percent reported cost as the reason for not enrolling. However, 35 percent reported they had not yet worked long enough to qualify. The proportion of respondents who enroll in their company's health plan may therefore increase over time. Only 19 percent of time limit respondents who did not enroll in their company's health plan said the reason was that they were currently covered by Medicaid or some other health plan. However, as discussed in Chapter IV, most respondents were eligible for and enrolled in Medicaid during this period, even if they did not cite it as a reason for not enrolling in their employer's plan.

²These three occupation categories alone accounted for 37 percent of current/most recent jobs, or nearly 80 percent of all service jobs.

C. CHILD CARE COSTS

An important factor affecting respondents' employability is access to affordable child care. Among all respondents, 65 percent (167 respondents) were working or in training at the time of the interview and had a child under the age of 13 years. This section discusses out-of-pocket child care costs and the use of subsidies by these families, as reported in the survey.³

1. How Many Used Subsidies?

Working time limit families are generally eligible for transitional child care assistance for one year after leaving TANF. Some families may also be eligible for a state-funded fee-based program or for locally funded assistance.⁴ Twenty-nine percent of the respondents who were working or in training and had children under 13 years of age reported that a government assistance program paid some or all of their child care costs (Table III.6).⁵ Thirty-five percent were aware of the availability of child care assistance but for a variety of reasons chose not to participate (Table III.6). Most often, respondents who did not participate reported either that they were able to pay for care on their own or that they did not want or need the subsidy (14 percent). Eight percent of families reported receiving care for free, and four percent had applied and were awaiting eligibility determination.⁶

³Chapter X describes child care subsidies received by time limit families as reported in administrative data sources. Chapter VIII discusses type of child care arrangements and hours in care.

⁴These programs are normally used for non-TANF families or those no longer eligible for transitional assistance.

⁵Few respondents reported receiving a full subsidy, which is expected, given a co-pay requirement of 10 percent of income.

⁶Substantially more respondents received free care but did not report it as the reason for not using the subsidy.

TABLE III.6

USE OF CHILD CARE SUBSIDIES AT INTERVIEW

	Percentage of Respondents
Receiving Subsidy at Interview	28.7
Aware of Subsidy Program but Not Using for One or More Reasons Below (unduplicated subtotal)	34.7
Could afford to pay/didn't want or need	13.8
Receives free care	7.8
Waiting for paperwork/applied	3.6
No subsidized care at hours or location needed	1.8
Too much hassle/too time consuming	1.2
Co-payment is too high	1.2
Did not know was eligible	1.2
Other reasons	4.2
Not Using Subsidy and Either Not Aware May Be Eligible or Not Eligible	29.9
Not Receiving Subsidy and Missing Data on Awareness of Availability of Assistance	6.6
Sample Size	167

SOURCE: Virginia Time Limit Study, Six-Month Follow-Up Survey, 1998 Cohort.

NOTE: Sample is all respondents who were working or in training at the interview and had children under age 13.

Less than one-third of the respondents who were working or in training and had a child younger than 13 indicated that they were not aware they were be eligible or were not eligible for child care assistance (30 percent). The survey data did not allow us to determine the specific number of respondents who were ineligible for child care assistance.⁷ However, more information will be available following the 18-month survey.

2. What Were Out-of-Pocket Child Care Costs?

Among working time limit families, child care costs were similar to those of other poor working families--more than half of families did not pay out of pocket for care, and the remaining families paid an average of 17 percent of their household income (Table III.7).⁸ Fifty-seven percent of respondents who worked or were in training and had children under 13 reported not having any out-of-pocket child care expenses. Thirty-one percent had no costs because care was provided for free by a family member or friend, and 21 percent had no costs because their child care needs were fully met by school, children caring for themselves (latchkey children), or care by the respondent while working. Six percent reported having no costs because their child care expenses were subsidized by a government program.

⁷The survey question was “Are you aware that you may still be eligible for government assistance in paying for child care?” That question can plausibly be answered “no” both by those who had no awareness of the program and by those who were ineligible or believed they were ineligible.

⁸Nationally, only 37 percent of poor working families with preschoolers in 1993 paid for child care, and those who did spent about 18 percent of their incomes (Caspar 1995). This sample is less likely to have preschoolers, and most have a co-payment requirement if subsidized, which may explain why more pay some amount for care.

TABLE III.7

COST OF CHILD CARE FOR WORKING TIME LIMIT FAMILIES

	Percentage of Respondents or Mean Value
Monthly Out-of-Pocket Child Care Expenses (n=165)	
No cost (total)	57.0
Free care from relatives or others	30.9
No cost because used only school, self-care, or parental care	20.6
No cost because fully subsidized	5.5
\$1 to \$100	17.6
\$101 to \$200	14.6
\$201 to \$300	3.6
\$301 to \$400	3.0
\$401 or more	4.2
Average Out-of-Pocket Monthly Child Care Expense Among Those Paying for Care or Receiving Government Subsidy (n=80 ^a)	\$152
Percentage of Monthly Household Income	17
Average Out-of-Pocket Monthly Child Care Expense Among Those Receiving a Government Subsidy (n = 48 ^b)	\$119
Percentage of Monthly Household Income	15
Average Out-of-Pocket Monthly Child Care Expense Among Those Paying for Care but Not Receiving a Government Subsidy (n = 32 ^c)	\$201
Percentage of Monthly Household Income	21

SOURCE: Virginia Time Limit Study, Six-Month Follow-Up Survey, 1998 Cohort.

^aSample includes only those who reported some out-of-pocket costs or received a government subsidy. It does not include those who received care for free from relatives or friends.

^bSample includes only those who received a subsidy from a government assistance program.

^cSample includes all who paid for care but did not receive a government subsidy.

Among the 43 percent of respondents who paid out of pocket, whether subsidized or not, expenses averaged \$152 a month, or 17 percent of their monthly household income.⁹ Among families who received a partial or full government subsidy, out-of-pocket monthly child care expenses averaged \$119, or 15 percent of household income. Monthly child care costs for families who paid and did not receive any government subsidy averaged \$201, or 21 percent of their household income. As discussed in Chapter X, those receiving a subsidy received over \$500 per month, on average. Thus, those who did without subsidies managed with much less expensive child care, but paid more out of pocket than those receiving subsidies.

D. TRANSPORTATION TO WORK

More than half of time limit respondents relied on cars for traveling to work (Table III.8). About 54 percent of respondents who worked after reaching the time limit drove themselves to work, and about 19 percent more got a ride from either family, friends, or a car pool. In contrast, only 18 percent relied on public forms of transportation, including a bus, taxi, train, subway, or ride provided by the welfare office.

The extensive reliance on cars is probably because about 70 percent of time limit respondents who worked owned or had access to a car. However, a large proportion also reported that they had access to public transportation in their neighborhood (65 percent). Public transportation may not run at convenient times, however, and its routes may not be close to respondents' jobs. Only about 13 percent of those who worked reported receiving a transportation subsidy after their case closed, which is consistent with the low percentage using public transportation.

⁹This average does not include (1) families that had zero out-of-pocket expenses because care was provided free by family or friends or fully subsidized by a government program, (2) families that use only school to meet child care needs, (3) families in which the respondent cared for the children while working, or (4) families where children were in self-care (latchkey children).

TABLE III.8
 TRANSPORTATION TO WORK
 (Percentage of Respondents Who Worked)

Mode of Travel to Work, Current or Most Recent Job	
Drives	53.6
Gets a ride from family/friends	16.0
Public bus	13.4
Walks to work	4.6
Works from home	4.1
Car pool	3.1
Taxi	2.1
Welfare office provides ride	1.0
Employer provides ride	1.0
Train/subway	0.5
Other	0.5
Has Driver's License	70.6
Owns or Has Access to Car	69.6
Neighborhood Has Bus or Other Public Transportation	65.1
Received Transportation Subsidy Since Case Closed	12.9
Sample Size	194

SOURCE: Virginia Time Limit Study, Six-Month Follow-Up Survey, 1998 Cohort.

These findings may not generalize to the rest of the state. Time limit respondents in this early cohort were largely from rural areas, small towns, or the spread-out suburban cities and towns of Northern Virginia. Transportation patterns and needs are highly localized.

E. COMPARISON WITH PRE-TIME LIMIT LEAVERS

More time limit respondents worked after case closure than Closed Case Survey respondents, who were VIEW-mandatory clients whose cases closed before they reached the time limit (Table III.9).¹⁰ About 63 percent of time limit respondents worked during the first month after case closure, compared to 53 percent of Closed Case respondents. Employment rates among both groups increased somewhat over time, but rates were consistently higher among time limit respondents than among Closed Case respondents. By the sixth month after case closure, 71 percent of time limit respondents worked, compared to 63 percent of Closed Case respondents.

Despite their higher employment rates, time limit respondents earned less after case closure than Closed Case respondents, whose cases closed before the time limit. Time limit respondents who worked earned an average of \$848 during the first month after case closure. Closed Case respondents earned \$1,141, or 35 percent more than those whose cases closed after they reached the time limit. During the sixth month after case closure, time limit respondents who worked earned an average of \$902, whereas Closed Case respondents earned \$1,192 on average, or 32 percent more.

The main reason for the lower average earnings of time limit respondents who worked is that they held lower-wage jobs after case closure than Closed Case respondents who worked (Table III.10). In particular, time limit respondents earned an average of \$6.02 per hour on their first job

¹⁰A very small number of Closed Case Survey respondents had reached the time limit, but they were omitted from these tables. In addition, the sample examined here is a subset of the Closed Case sample from the same localities as time limit survey respondents. See Chapter I for further discussion of the Closed Case Survey.

TABLE III.9

WORK EXPERIENCE IN THE SIX MONTHS AFTER CASE CLOSED
OF TIME LIMIT AND CLOSED CASE RESPONDENTS

	Time Limit Respondents	Closed Case Respondents
Percentage Worked in: ^a		
Month 1	62.5	52.5**
Month 2	65.4	59.2
Month 3	70.0	60.1**
Month 4	69.6	60.5**
Month 5	71.7	64.3*
Month 6	71.3	63.4*
Average Earnings (Dollars) for Those Who Worked in: ^b		
Month 1	848	1,141***
Month 2	853	1,173***
Month 3	878	1,184***
Month 4	898	1,178***
Month 5	874	1,151***
Month 6	902	1,192***
Average Hours for Those Who Worked in: ^a		
Month 1	138	156**
Month 2	137	162***
Month 3	138	165***
Month 4	140	164***
Month 5	135	159***
Month 6	138	165***

SOURCE: Virginia Time Limit Study, Six-Month Follow-Up Survey, 1998 Cohort; Virginia Closed Case Survey.

NOTE: Both samples were restricted to cases in EDDs 2, 6, 7, and 9. Only employment within six months after the case closed is counted.

^aStatistics are based on at least 236 respondents for the Time Limit Survey and at least 234 respondents for the Virginia Closed Case Survey.

^bStatistics are based on at least 147 respondents for the Time Limit Survey and at least 122 respondents for the Virginia Closed Case Survey. Samples are different in each month.

*Significantly different from time limit respondents at the .10 level, two-tailed test.

**Significantly different from time limit respondents at the .05 level, two-tailed test.

***Significantly different from time limit respondents at the .01 level, two-tailed test.

TABLE III.10

CHARACTERISTICS OF THE FIRST JOB AFTER CASE CLOSURE
HELD BY TIME LIMIT AND CLOSED CASE RESPONDENTS

	Time Limit Respondents	Closed Case Respondents
Current Job Characteristics		
Monthly Earnings (mean)	\$901 (n=197)	\$1,165*** (n=174)
Hours Worked per Work (mean)	33.6 (n=197)	38.1*** (n=173)
Hours per Week:		
Less than 30	32.0	14.5
30 to less than 35	10.2	8.1
35 or more	57.9	77.5
Hourly Wage (mean)	\$6.02 (n=196)	\$7.11*** (n=173)
Occupation	(n=198)	(n=174)
Service	47.5	24.7***
Sales	23.7	20.7
Administrative support	10.6	26.4***
Precision, production, craft, and repair Operators, fabricators, and laborers	7.6	14.9**
Managerial and professional specialty	6.1	4.0
Technical	3.5	4.0
Other	0.5	1.7
Industry	(n=197)	(n=174)
Retail trade	36.0	29.3
Professional and related services	23.9	20.1
Personal services	13.7	9.2
Business and repair services	10.2	11.5
Manufacturing	8.6	8.6
Transportation, communications, and other public utilities	2.0	6.9**
Entertainment and recreation services	2.0	1.1
Public administration	1.5	4.0
Agriculture, forestry, fisheries, mining, and construction	1.0	2.9*
Finance, insurance, real estate	0.5	2.9
Wholesale trade	0.0	0.6
Other	0.5	2.9*

TABLE III.10 (continued)

	Time Limit Respondents	Closed Case Respondents
Available on the Job:		
Health benefits	42.6 (n=183)	51.5* (n=167)
Paid sick leave	26.3 (n=175)	44.0*** (n=168)
Paid vacation	43.7 (n=183)	53.8* (n=169)
Total Sample Size	198	174

SOURCE: Virginia Time Limit Study, Six-Month Follow-Up Survey, 1998 Cohort; Virginia Closed Case Survey.

NOTE: Both samples were restricted to respondents in EDDS 2, 6, 7, and 9 who obtained a job within six months after their TANF case closed.

*Significantly different from time limit respondents at the .10 level, two-tailed test.

**Significantly different from time limit respondents at the .05 level, two-tailed test.

***Significantly different from time limit respondents at the .01 level, two-tailed test.

post-TANF. Closed Case respondents earned an average of \$7.11 per hour, or 14 percent more. Another reason is that time limit respondents worked fewer hours per week, on average.

Time limit respondents who worked had lower-quality jobs in several other respects: they held jobs that were less skilled and less likely to offer standard benefits (Table III.10). Eleven percent of the first jobs held by time limit respondents were in administrative support occupations, compared to 26 percent of the first jobs obtained by Closed Case respondents. In contrast, 48 percent of the jobs held by time limit respondents were in service occupations, compared to 25 percent of jobs held by Closed Case respondents. Last, about 43 percent of the first jobs obtained by time limit respondents offered health benefits and paid vacation, compared to about 53 percent of the first jobs obtained by Closed Case respondents.

IV. INCOME SOURCES AND TOTAL INCOME

When TANF recipients reach the two-year time limit on benefits and have their TANF cases closed, they lose TANF as a source of income. The previous chapter showed that earnings of time limit families increased modestly after their cases closed. This chapter examines income received by time limit families from other sources and the total incomes of these families, as reported in the survey, about six to eight months after the case closed. Information in this chapter is used to examine both the extent to which time limit families were self-sufficient when interviewed and whether they were better or worse off financially than when on TANF.

Key findings include:

- About 76 percent of time limit families still received food stamps when interviewed, six months or more after the case closed, only slightly less than when on TANF. Average food stamp benefits increased slightly after the TANF case closed.
- More than half of time limit families who did not receive food stamps after case closure believed they were ineligible, although their incomes were low enough that some may have been eligible.
- The proportion receiving child support increased from 19 to 29 percent after the case closed, and the amounts collected by those receiving child support also increased.
- Average income was the same at the interview as before the case closed. However, most families experienced changes: income fell for about 47 percent of time limit families and increased for about 28 percent.¹
- From 13 to 14 percent had incomes above the federal poverty line before *and* after their case closed, based on self-reported income. At the same time, a larger percentage of respondents reported their income to be below 50 percent of the federal poverty level at the interview than just before the case closed.

¹Income is considered unchanged if it increased or decreased by less than 10 percent.

- Over 90 percent of time limit families had health insurance for some family members at the time of the interview, almost all through Medicaid. Over 70 percent of families had coverage for both the respondent and the children.

These findings suggest that, on average, time limit families were not worse off in the first six to eight months after case closure, because they received more income from food stamps and child support and because their earnings increased slightly (see Chapter III). The safety net continued to cover most of these families in the form of food stamps and Medicaid.

Nevertheless, most families were poor both before and after case closure. Furthermore, the lack of change in average incomes masks diverse experiences. The increase in the number of families with incomes below 50 percent of poverty suggests that a subset of the time limit population may be at substantial risk.

A. RELIANCE ON PUBLIC ASSISTANCE

Most time limit families still received food stamps after their cases closed, but only a few received other forms of public assistance (Table IV.1).² Seventy-six percent of time limit families received food stamp benefits during the month before the interview, down from 86 percent during the month before case closure.³ In contrast, only 2 percent reported having someone in the household who received TANF benefits during the month before the interview, down from 66 percent during the month before the case closure.⁴ The finding that almost no time limit families

²A time limit family is considered to have received income from each source in Table IV.1 if anyone in the household received income from that source.

³These data are based on respondents' reports; Chapter X presents corresponding information from administrative data.

⁴Some families were under sanction when their case closed, and so did not receive benefits that month. See Chapter X for further discussion.

TABLE IV.1

SOURCES OF UNEARNED INCOME BEFORE AND AFTER CASE CLOSURE
(Percentage of Respondents)

Received Income from	Month Before Case Closed	Month Before Interview
TANF (n=249)	65.9	2.4
Food Stamp Program (n=251)	85.7	76.1
SSI or SSDI (n=252)	9.9	10.3
UI (n=253)	0.8	0.8
Child Support (n=252)	18.7	29.4

SOURCE: Virginia Time Limit Study, Six-Month Follow-Up Survey, 1998 Cohort.

NOTE: Receipt of income from a particular source is receipt by anyone in the household.

SSI = Supplemental Security Income

SSDI = Social Security Disability Insurance

UI = Unemployment Insurance

received TANF about six months after their cases closed is not surprising, since they are ineligible to receive benefits for three years after reaching the time limit.⁵ During both the month before case closure and the month before the interview, 10 percent of time limit families received disability benefits and less than 1 percent received unemployment insurance.

Although fewer families received food stamps, among those who did, food stamp benefits increased after their cases closed (Table IV.2).⁶ Average food stamp benefits rose from \$223 during the month before case closure to \$256 during the month before the interview. Because food stamp benefits increase in response to a decrease in household income (earnings plus TANF benefits), the increase in food stamp benefits suggests that the increase in earnings was not large enough to offset the decrease in TANF benefits. Disability benefits and unemployment insurance received by time limit families were about the same before and after their cases closed.

B. WHY SOME DID NOT GET FOOD STAMPS

The national food stamp caseload has declined more than expected. Some policymakers have been concerned that families that lose TANF eligibility believe they have also lost eligibility for food stamps, although they usually remain eligible. As noted, most time limit families continued to receive food stamps in Virginia, but some did not. The reasons time limit respondents gave for not receiving food stamps suggest that policymakers' concerns may be valid for a small group (Table IV.3). About 54 percent of time limit families who did not receive food stamps after case closure believed they were not eligible for food stamps. Even among those with reported incomes below

⁵The two percent of time limit families that received TANF during the month before the interview is due to another household member receiving TANF.

⁶The amount of income in Table IV.2 equals the amount received by all members of the household from each source.

TABLE IV.2

UNEARNED INCOME BY SOURCE BEFORE AND AFTER CASE CLOSURE
(in Dollars)

Average Income from:	Month Before Case Closed		Month Before Interview	
TANF	294	(n=155)	213	(n=5)
Food Stamp Program	223	(n=186)	256	(n=187)
SSI or SSDI	402	(n=23)	422	(n=22)
UI (n=256)	354	(n=2)	367	(n=2)
Child Support	105	(n=44)	167	(n=73)

SOURCE: Virginia Time Limit Study, Six-Month Follow-Up Survey, 1998 Cohort.

NOTE: Average income amounts are reported only for those receiving income from that source. Income received by anyone in the household is counted.

SSI = Supplemental Security Income
 SSDI = Social Security Disability Insurance
 UI = Unemployment Insurance

TABLE IV.3

RESPONDENTS' VIEWS ON WHY NOT RECEIVING FOOD STAMPS
(Percentage)

Reasons	All Cases Not Receiving	Cases with Income Below 130 Percent of Poverty
Not Eligible	54.1	54.4
Do Not Need/Have Not Applied	14.8	10.9
Too Much Hassle/Can't Get There	4.9	2.2
Just Applied/Need to Be Recertified	3.3	4.4
Other	14.8	17.4
Don't Know	8.2	10.9
Sample Size	61	46

SOURCE: Virginia Time Limit Study, Six-Month Follow-Up Survey, 1998 Cohort.

NOTE: Sample is cases not receiving food stamps at the interview.

130 percent of poverty, about 54 percent of those not receiving food stamps believed they were ineligible. It is possible some families underreported their incomes or were ineligible for other reasons.⁷ However, assuming most reported accurately, some families may be unaware of their continued food stamp eligibility.

C. CHILD SUPPORT

More time limit families reported receiving child support after their cases closed (Table IV.1). About 29 percent of time limit families received child support during the month before the interview, compared to about 19 percent during the month before case closure.

The amount of child support received by those with support also increased (Table IV.2). Average child support for those receiving support increased from \$105 during the month before case closure to \$167 during the month before the interview. The increase in child support is due partly to the fact that time limit families receive the full child support amount when off TANF, but a maximum of \$50 per month when on it.⁸ The increase in child support may also reflect an increase in collections for those already receiving child support.⁹

⁷Food stamp eligibility is complex. Some families may have been ineligible despite low incomes, for example, by having more assets than allowed. See also the discussion of income reporting below.

⁸For those on TANF, child support payments above \$50 per month are retained by the state to offset the cost of TANF benefits.

⁹The increase was similar among families receiving child support both before and after the case closed--this group (n=41) received \$101 on average before the case closed, and \$151 on average at the interview (not shown in table).

D. TOTAL INCOME

Average income reported by time limit families basically did not change after their cases closed (Table IV.4).¹⁰ On average, time limit families reported total income of \$877 during the month before case closure. During the month before the interview, they reported an average total income of \$862, or a drop of less than two percent. As noted earlier, the sources of this income had changed, with TANF benefits replaced by increased earnings, food stamps, and child support income.

Although there was no change in income on average, individual families had varied experiences. In particular, the distribution of income for time limit families became more dispersed after their cases closed. Between case closure and the interview, the proportion of time limit families reporting total monthly income in the “\$500 to \$1,000” category--the category that includes the average value--dropped by about 10 percentage points (see “Change” column in Table IV.4). At the same time, the proportion of time limit families reporting total monthly income in the “less than \$500” category increased by about seven percentage points, while the proportion reporting total monthly income in the “\$1,000 to \$1,500” category increased by about three percentage points.

Furthermore, more time limit families reported a decline in their income after the case closed than reported an increase (Table IV.5). Forty-seven percent of time limit families reported a decrease in total income of more than 10 percent. In addition, 28 percent reported an increase in total monthly income of more than 10 percent. Thus, after case closure, about 75 percent of time limit families reported a change of more than 10 percent in total monthly income--either negative or positive. The

¹⁰Total monthly income equals the income all members of the household received during a particular month, before taxes and deductions. Respondents who did not know or refused to report the exact amount were asked what range their total monthly income fell into, for example, less than \$500, between \$500 and \$1,000, and so on. Midpoints of the ranges were assigned to respondents who did not know or refused to report the exact amount. Total income was set equal to \$3,500 for the few respondents who reported the more-than-\$3,000 range.

TABLE IV.4

TOTAL MONTHLY INCOME BEFORE AND AFTER CASE CLOSED

	Month Before Case Closed	Month Before Interview	Change
Total Monthly Income (percentage distribution)			
Less than \$500	20.8	27.4	6.6
\$500 to \$1,000	45.6	35.8	-9.8
\$1,000 to \$1,500	20.8	23.9	3.1
\$1,500 to \$2,000	6.6	6.2	-0.4
More than \$2,000	6.2	6.6	0.4
Average Total Monthly Income (in dollars)	877	862	-15
Sample Size	226	226	

SOURCE: Virginia Time Limit Study, Six-Month Follow-Up Survey, 1998 Cohort.

NOTE: Total monthly income category is as reported. Average total monthly income before case closure was calculated using total monthly income as reported for the 80 percent of the sample that reported their total monthly income, and using the midpoint of the range for the 20 percent of the sample that reported total monthly income as a range.

Total monthly income at the interview was calculated using reported amounts for 86 percent of the sample, and the midpoint of the range for the 14 percent who reported income as a range.

Only respondents who reported total monthly income both before and after case closure are included in the table.

TABLE IV.5

CHANGES IN TOTAL MONTHLY INCOME SINCE TANF BENEFITS TERMINATED

Type of Change in Income	Percentage of Respondents	Mean Value of Income (in Dollars)		Change in Mean Income (in Dollars)
		Month Before Case Closed	Month Before Interview	
Increase of More than 10 Percent	28.0	700	1,162	462
Change of Less than 10 Percent	24.7	895	873	-22
Decrease of More than 10 Percent	47.3	900	589	-311
All Respondents	100.0	843	820	-13

SOURCE: Virginia Time Limit Study, Six-Month Follow-Up Survey, 1998 Cohort.

NOTE: Statistics are based on responses provided by 182 survey participants who reported income as an amount rather than as a range. Total income is defined as income before taxes and deductions for all household members from all sources, including TANF, Food Stamps, other public assistance, and earnings from jobs.

remainder (about 25 percent) reported either no change or a change in total monthly income of less than 10 percent.

E. INCOME RELATIVE TO POVERTY

Reported income places most time limit cases below the federal poverty line before and after their cases closed (Table IV.6).¹ At case closure, 87 percent of time limit cases reported total monthly income below the federal poverty line. At the time of the interview, about the same proportion--86 percent--reported total monthly income below the federal poverty line.

Although the proportion below the federal poverty line did not change, time limit families were more likely to be at or below 50 percent of the federal poverty line after case closure. Between case closure and the interview, the proportion of time limit families reporting total income less than or equal to 50 percent of the federal poverty line increased by about 6 percent (see "Change" column in Table IV.6). At the same time, the proportion reporting total income between 50 to 100 percent of the federal poverty line decreased by about 7 percent.

For at least two reasons, however, these poverty estimates may not reflect the poverty status of time limit families. First, it is possible that total income reported by respondents may be incorrect because respondents misreported income. For example, reported total income may be understated because some respondents may have been unaware of some of the income of other household members. If that was the case, actual total income would place fewer time limit families below the poverty line than reported total income. Second, it is possible that annualizing monthly income (see footnote 11) understates actual annual income. For example, total monthly income may have fallen temporarily in the month before the interview because the respondent was between jobs. If that was

¹Total monthly income was annualized by multiplying by 12. Annualized total income and household size reported by each respondent was then compared to the Department of Health and Human Services poverty guidelines for 1998 to determine annualized total income as a percentage of the poverty line.

TABLE IV.6

POVERTY STATUS BEFORE AND AFTER CASE CLOSURE
(Percentage Distribution)

Total Income as a Percentage of the Poverty Line	Month Before Case Closed	Month Before Interview	Change
Less than or Equal to 50	36.3	42.5	6.2
Over 50 to 100	50.9	43.8	-7.1
More than 100 and Less than 130	8.8	7.1	-1.7
130 or More	4.0	6.6	2.6
Sample Size	226	226	

SOURCE: Virginia Time Limit Study, Six-Month Follow-Up Survey, 1998 Cohort.

NOTE: Poverty status is measured at the household level, by comparing annualized total household income to the poverty threshold for the household size.

the case, income measured over a longer period would place fewer time limit families below the federal poverty line than income measured for one month only.

F. HEALTH INSURANCE

Nearly all time limit families had some health insurance after case closure, largely through Medicaid (Table IV.7). Ninety-two percent of time limit families reported health insurance coverage for at least some family members at the time of the interview. In over 80 percent of families, the children were covered, and in over 80 percent, the respondent (and/or the spouse, if present) was covered. In 72 percent of families, both the respondent and the children had health insurance.

Among families with health insurance for some members, 90 percent were covered by Medicaid only. Most of the rest--about eight percent--were covered by Medicaid and a private plan, leaving about two percent covered only by a private or HMO plan.

G. COMPARISON OF EMPLOYED FAMILIES WITH THOSE NOT EMPLOYED

After their cases closed, employed respondents were similar to nonemployed respondents in the percentages receiving other sources of income, but they received less in food stamp benefits. Seventy-five percent of employed respondents received food stamps during the month before the interview, compared to 80 percent of nonemployed respondents, but this difference was not statistically significant (Table IV.8). However, employed respondents received significantly less food stamps, on average, after case closure than nonemployed respondents (Table IV.9). On average, employed respondents received \$176 in food stamps, compared to \$232 among nonemployed respondents. These results were expected, since food stamp benefits decline in response to an increase in total income, which includes earnings.¹²

¹²The proportion that received income from other forms of public assistance and the amount received from those sources did not differ for employed and nonemployed respondents.

TABLE IV.7
CURRENT HEALTH INSURANCE

	Percentage of Families
Someone in Family Covered by Health Insurance	91.8
Adult(s) Covered by Health Insurance ^a	83.2
Children Covered by Health Insurance	82.0
Respondent and Children Covered by Insurance	72.3
Sample Size	256
Type of Insurance, Among Families with Insurance	
Medicaid only	89.8
Private plan and Medicaid	8.1
Private health plan or HMO only	2.1
Sample Size	235
Among Families with Medicaid, Who Is Covered by Medicaid?	
Adult(s) only ^a	11.3
At least one adult and children	78.7
Children only	10.0
Sample Size	230

SOURCE: Virginia Time Limit Study, Six-Month Follow-Up Survey, 1998 Cohort.

^aRespondent, spouse, or both are covered.

TABLE IV.8

SOURCES OF UNEARNED INCOME IN THE MONTH BEFORE THE INTERVIEW,
BY CURRENT EMPLOYMENT STATUS
(Percentage)

Received Income from	Currently Employed	Not Currently Employed
TANF	2.8	1.4
Food Stamp Program	74.6	79.7
SSI/SSDI	10.1	10.8
UI	1.1	0.0
Child Support	27.2	35.1
Other Household Member Employed	24.6	17.6
Sample Size	181^a	74

SOURCE: Virginia Time Limit Study, Six-Month Follow-Up Survey, 1998 Cohort.

NOTE: Receipt of income from a particular source is receipt by anyone in the household. None of the differences between the employed and not employed are statistically significant.

^aSample sizes for the currently employed are as low as 179 respondents for certain statistics.

SSI = Supplemental Security Income

SSDI = Social Security Disability Insurance

UI = Unemployment Insurance

TABLE IV.9

INCOME FROM OTHER SOURCES IN THE MONTH BEFORE THE INTERVIEW,
 BY CURRENT EMPLOYMENT STATUS
 (in Dollars)

Average Income from	Currently Employed	Not Currently Employed
TANF	5	1
Food Stamp Program	176	232**
SSI/SSDI	35	41
UI	4	0
Child Support	52	37
Sample Size	181^a	74^a

SOURCE: Virginia Time Limit Study, Six-Month Follow-Up Survey, 1998 Cohort.

NOTE: Average income amounts include zeros. Income received by anyone in the household is counted.

^aSample sizes for the currently employed are as low as 177 respondents for certain statistics and 71 respondents for the not currently employed.

SSI = Supplemental Security Income
 SSDI = Social Security Disability Insurance
 UI = Unemployment Insurance

*Significantly different from “employed” at the .10 level, two-tailed test.

**Significantly different from “employed” at the .05 level, two-tailed test.

***Significantly different from “employed” at the .01 level, two-tailed test.

Employed respondents reported significantly larger total incomes on average than nonemployed respondents and were less likely to report incomes below 50 percent of the federal poverty line (Tables IV.10 and IV.11). On average, employed respondents reported an average total income of \$992 during the month before the interview, compared to \$542 among nonemployed respondents. Reported income placed fewer employed respondents than nonemployed respondents below the federal poverty line (81 percent versus 94 percent). The difference is even greater in the percentage of cases below 50 percent of the federal poverty line--31 percent of employed respondents reported incomes below 50 percent of the federal poverty line, while 73 percent of respondents who were not employed reported incomes in this range.

TABLE IV.10

TOTAL INCOME IN THE MONTH BEFORE THE INTERVIEW,
BY CURRENT EMPLOYMENT STATUS

	Currently Employed	Not Currently Employed
Total Monthly Income (percentage distribution)***		
Less than \$500	17.0	58.6
\$500 to \$1,000	36.2	25.7
\$1,000 to \$1,500	31.0	8.6
\$1,500 to \$2,000	7.0	5.7
More than \$2,000	8.8	1.4
Average Total Monthly Income (in dollars)	992	542***
Sample Size	171	70

SOURCE: Virginia Time Limit Study, Six-Month Follow-Up Survey, 1998 Cohort.

NOTE: Total income category is as reported. Average incomes were calculated using income as reported for the 80 percent of the sample that reported their income, and using the midpoint of the range for the 20 percent of the sample that reported income as a range.

*Significantly different from “employed” at the .10 level, two-tailed test.

**Significantly different from “employed” at the .05 level, two-tailed test.

***Significantly different from “employed” at the .01 level, two-tailed test.

TABLE IV.11

POVERTY STATUS IN THE MONTH BEFORE THE INTERVIEW,
BY CURRENT EMPLOYMENT STATUS

Poverty Status	Currently Employed	Not Currently Employed
Total Income as a Percentage of the Federal Poverty Line***		
Less than 50	31.0	72.9
50 to 100	50.3	21.4
100 to 130	9.9	4.3
130 or More	8.8	1.4
Percentage with Income Below		
50 Percent of poverty	31.0	72.9***
100 percent of poverty	81.3	94.3***
130 percent of poverty	91.2	98.6***
Sample Size	171	70

SOURCE: Virginia Time Limit Study, Six-Month Follow-Up Survey, 1998 Cohort.

NOTE: Poverty status is measured at the household level, by comparing annualized total monthly household income to the federal poverty threshold for the household size.

*Significantly different from “employed” at the .10 level, two-tailed test.

**Significantly different from “employed” at the .05 level, two-tailed test.

***Significantly different from “employed” at the .01 level, two-tailed test.

V. INFORMAL AND COMMUNITY SUPPORT

When time limit families leave TANF, they may turn to family and friends or to community organizations for assistance. Some observers regard private assistance as a preferable alternative to dependence on government assistance. Others are concerned that use of such support, particularly services such as food banks intended to meet only emergency needs, may place an undue burden on private charities or on relatives who have low incomes themselves. Survey findings suggest that time limit families received assistance from family and friends more often than from community or religious organizations after leaving TANF.

- Among survey respondents, 67 percent received assistance from family and friends, and 27 percent received help from community or religious groups.
- For the most part, respondents did not think the level of assistance received from family and friends had changed since they left TANF.
- Employed and nonemployed respondents did not differ in the likelihood of receiving assistance from family and friends but did vary in the type of assistance received. Nonemployed respondents were more likely than employed respondents to have received assistance from community or religious organizations.

A. ASSISTANCE FROM FAMILY AND FRIENDS

About two-thirds of respondents reported assistance from family and friends, mostly from relatives (Table V.1). In particular, respondents most often received assistance from parents (44 percent) and other relatives (36 percent). Friends and neighbors (28 percent) were a source of assistance more often than the respondent's spouse/partner (6 percent) or ex-spouse/ex-partner (2 percent). There were no significant differences between employed and nonemployed respondents in the likelihood of receiving assistance from family and friends.

TABLE V.1

ASSISTANCE FROM FAMILY OR FRIENDS
(Percentages)

	Currently Employed	Not Employed	Total
Sources of Assistance	(n=181)	(n=74)	(n=254)
Parents	44.2	43.2	43.9
Other relatives	35.4	37.8	36.1
Friends/neighbors	26.5	29.7	27.5
Spouse/partner	5.5	6.8	5.9
Ex-spouse/ex-partner	1.1	4.1	2.0
Other sources	7.7	16.2**	10.2
No assistance reported from these sources	35.4	27.0	32.9
Any assistance reported	64.6	73.0	67.1
Types of Assistance	(n=181)	(n=73)	(n=254)
Any help with emotional support	41.7	36.1	40.1
Any help with child care	38.1	31.5	36.2
Any help with transportation	33.1	41.1	35.4
Any help with money	22.1	38.4***	26.8
Any help with children's supplies such as diapers/clothes/toys	19.3	28.8*	22.0
Any help with phone access	16.0	31.5***	20.5
Any help with food or a meal	16.1	30.1***	20.2
Any help with a place to stay	15.5	24.7*	18.1
No assistance reported	34.8	25.7	32.2
Any assistance reported	65.2	74.3	67.8
Changes in Assistance Since on TANF*	(n=164)	(n=72)	(n=236)
Remained same	59.1	65.3	61.0
More	24.4	12.5	20.8
Less	16.5	22.2	18.2

SOURCE: Virginia Time Limit Study, Six-Month Follow-Up Survey, 1998 Cohort.

NOTE: Statistical tests for differences between those currently employed and not employed were conducted for all variables using chi-squared tests for differences.

*Significant at .10 level, two-tailed test.

**Significant at .05 level, two-tailed test.

***Significant at .01 level, two-tailed test.

Emotional support, child care, and transportation were the three most frequently received types of assistance from family or friends, with each reported by 35 to 40 percent of respondents. Employed and nonemployed respondents did not differ significantly in receipt of these types of assistance.

Respondents who were not employed were significantly more likely than employed respondents to report other types of assistance--money, phone access, food, supplies for children, or a place to stay. Between 25 and 40 percent of nonemployed respondents received each of these types of assistance, but only 16 to 22 percent of employed respondents did.

Most respondents (61 percent) reported the amount of assistance they received from family and friends did not change after leaving TANF. Those who did experience a change in the amount of assistance received were equally divided as to whether the change was an increase or a decrease. Twenty-one percent reported receiving more assistance from family and friends, and 18 percent reported receiving less. There was a significant difference between those employed and those not employed at the time of the interview in regard to changes in assistance. Among those who were employed, 24 percent received more assistance from family and friends after leaving TANF, and 17 percent received less. Among those who were not employed, the trend was reversed--after leaving TANF, 13 percent received more assistance and 22 percent received less.

B. ASSISTANCE FROM COMMUNITY AGENCIES OR RELIGIOUS ORGANIZATIONS

Although less common than help from family and friends, respondents also received assistance from community groups and religious organizations. Twenty-seven percent of all respondents reported assistance from one of four types of organizations: a church or religious organization, a

food pantry or soup kitchen, a community organization, or a crisis center (Table V.2).¹ Respondents most frequently received assistance from a church or religious organization (15 percent) or from a food pantry or soup kitchen (15 percent). Less often, respondents received assistance from a community organization (eight percent) or a crisis center (less than one percent). Fewer employed respondents received assistance from a food pantry/soup kitchen (12 percent) than respondents who were not employed at the time of the interview (22 percent).

Respondents were asked about the types of assistance other than food they received from community or religious organizations (lower panel of Table V.2).² Respondents most often received assistance with clothing (11 percent), utility bills other than phone bills (9 percent), or emotional support (8 percent). A small percentage of respondents also reported receiving counseling (six percent), rental assistance (five percent), transportation (four percent), financial assistance (four percent), and child care (four percent). Less than one percent of the respondents reported receiving assistance with their phone bill or phone access, legal aid, or other types of assistance. The cell size was too small to allow reliable determination of whether there were significant differences between employed and nonemployed respondents in the specific types of assistance from community organizations.

¹Data were not collected on whether the level of this assistance had changed since the case closed. These data will be collected in future surveys.

²Food was not asked about, because it was assumed that assistance received from food pantries or soup kitchens was food. However, some respondents mentioned receiving food assistance from other types of organizations among the “other, specify” answers.

TABLE V.2

ASSISTANCE FROM COMMUNITY AGENCIES
OR RELIGIOUS ORGANIZATIONS
(Percentages)

	Currently Employed	Not Employed	Total
Sources of Assistance	(n=181)	(n=73)	(n=254)
Church or religious organization	12.7	20.5	15.0
Food pantry/soup kitchen	11.7	21.9**	14.6
Community organization/neighborhood center	6.6	9.7	7.5
Crisis center	0.6	1.4	0.8
	(n=181)	(n=74)	(n=255)
No assistance reported from these sources	76.8	63.5**	72.9
Some assistance reported	23.2	36.5	27.1
Types of Assistance	(n=181)	(n=73)	(n=254)
Clothing or clothing vouchers	10.5	12.3	11.0
Utility bills except phone	5.0	17.8	8.7
Emotional support	8.8	6.8	8.3
Counseling	3.9	9.6	5.5
Rental assistance	5.0	5.6	5.1
Transportation	3.3	5.5	3.9
Money	3.3	4.1	3.5
Child care	3.9	2.7	3.5
Telephone bill or telephone access	0.0	2.7	0.8
Legal aid	1.1	0.0	0.8
Other	1.2	1.4	1.2
	71.8	58.1**	67.8
No types of assistance reported			
Some assistance reported	28.2	41.9	32.2

SOURCE: Virginia Time Limit Study, Six-Month Follow-Up Survey, 1998 Cohort.

NOTE: Statistical tests for differences in source of assistance between those currently not employed and unemployed were conducted for all variables using chi-squared tests. Cell size for specific types of assistance was too small for a reliable test for differences.

*Significant at .10 level, two-tailed test.

**Significant at .05 level, two-tailed test.

***Significant at .01 level, two-tailed test.

VI. HOUSING AND HOUSEHOLD COMPOSITION

Some observers have been concerned that time limits on TANF benefits would lead families who lose their benefits to move in with relatives or friends, to send children to live with other relatives, or even to become homeless. Interviews with the 1998 time limit cohort in Virginia indicate that these fears are largely unfounded, at least in the short term. Survey respondents reported little change in their housing situation or household composition in the six months or so from when their TANF cases closed to the interview.¹ In particular:

- Housing arrangements of time limit families were essentially the same as before their TANF case closed. For example, both before their cases closed and at the interview, about 15 percent of respondents lived with relatives or friends.
- Average housing costs had not changed.
- One family in five had moved since their case closed.
- Less than two percent of the sample reported ever being homeless since the case closed.
- More than 80 percent of respondents reported that their household composition had not changed since their TANF case closed. Most households were single-parent families with an average of just over two children. About one-third included another adult.
- The most common change in household composition was one person moving into the household, which happened in 13 percent of time limit families. In four percent of families, this change was due to the respondent having a new baby. Very few families experienced either a large increase in household size (which would be expected if

¹An important caution is that those contacted for the survey probably had more stable households and housing arrangements than those who could not be reached. People who move are typically more difficult to locate for surveys than those who do not move, and homeless families are even more difficult to find. However, the high response rate for the survey implies that any bias is likely to be small. Even if non-respondents were twice as likely to be homeless as respondents, for example, the percentage ever homeless would still be less than two percent.

families were doubling up with relatives) or a decrease in the number of children present (which would be expected if families could not afford to keep their children).

A. HOUSING ARRANGEMENTS AND COSTS

Housing arrangements of time limit families were very similar to their arrangements before their TANF case closed (Table VI.1). As of the interview, about 75 percent rented their home, 16 percent lived with relatives or friends, 8 percent owned their home, and less than 1 percent were homeless or in other arrangements. Before the case closed, the distribution of arrangements was very similar.

Housing costs were also essentially the same as before the case closed. Average housing costs were \$198 per month at the time of the interview, and \$205 per month just before the case closed. These averages include those who paid zero at each point in time. Change in housing cost may be somewhat understated, as we assume costs were unchanged for those who did not move.² About one in five families did not pay any cash for their housing both before the case closed (19 percent) and at the time of the interview (21 percent).

Receipt of housing subsidies did not change after the case closed. Among those who rented or lived with a friend or relative, about 30 percent lived in public housing, and another 20 percent received a housing subsidy both before and after the case closed.

B. MOVES SINCE CASE CLOSED

About one in five families (19 percent) reported having moved since the case closed (Table VI.2). This seems a modest level of moves in a 6- to 12-month period, as about one in three renters moves in the course of a year nationally (Faber 1998).

²The survey asked about housing before the case closed only for those who reported that they had moved. We assume no changes for those who did not move.

TABLE VI.1

COMPARISON OF HOUSING AT CASE CLOSING AND AT INTERVIEW

	At Case Closing	At Interview
Type of Housing		
Rent	77.3	75.3
Own	7.5	8.2
Live with a friend or relative	14.6	15.7
Homeless or living on street	0	0.4
Other	0.8	0.4
Sample Size	255	255
Average Monthly Cost (in dollars)	205	198
Percentage of Families Who Do Not Pay Money for Housing	19.0	20.6
Sample Size	248	248
Among Those Who Rent or Live With a Friend or Relative, Percentage Who:		
Receive housing subsidy (not public housing)	20.6	20.2
Live in public housing	29.9	29.4
No subsidy/no public housing	49.5	50.7
Sample Size	204	203

SOURCE: Virginia Time Limit Study, Six-Month Follow-Up Survey, 1998 Cohort.

NOTE: For those who did not move, all variables are set equal to their values at the time of the interview.

TABLE VI.2

MOVES AND CHANGE IN QUALITY OF HOUSING
AMONG RESPONDENTS WHO MOVED

Percentage of Families Who Had Moved Since Case Closed	19.2
Sample Size	255
Quality of Living Arrangements at Interview Compared with at Case Closing (respondents who moved)	
Better	40.8
Worse	34.7
Same	24.5
Sample Size	49

SOURCE: Virginia Time Limit Study, Six-Month Follow-Up Survey, 1998 Cohort.

Among those who moved, 41 percent reported moving to better housing, 35 percent reported moving to worse housing, and 25 percent reported moving to housing of the same quality as before.

C. HOMELESSNESS

Only about two percent of the sample were ever homeless (Table VI.3). Specifically, six respondents (2.3 percent) had lived in a homeless shelter or on the street since their case closed, including four who had lived in shelters, and four cases had lived on the street (two respondents had done both). Just one respondent (0.4 percent) was homeless at the time of the interview (refer back to Table VI.1).

D. HOUSEHOLD COMPOSITION

Time limit families were living primarily in households headed by a single parent with one or two children, and this did not change after leaving TANF. As background, this section first describes household composition of time limit families as reported at the time of the interview. Then, changes since the case closed are discussed.

1. Household Composition at the Interview

Nearly all households (88 percent) were headed by single parents, but a large proportion included other adults (Table VI.4). Specifically, 35 percent of all households included another adult in addition to the respondent, such as the respondent's spouse or partner (12 percent), the respondent's parents/stepparents (11 percent), other relatives (15 percent), or unrelated adults (4 percent).

Nearly half the respondents (47 percent) reported that they had never been married and were not living with a partner. The rest were mostly either divorced or separated. About 1 out of 10 respondents was married or living unmarried with someone at the time of the interview.

TABLE VI.3
HOMELESSNESS

	Percentage
Percentage Ever Homeless and Living on the Street Since Case Closed	1.6
Percentage Ever in a Shelter Since Case Closed	1.6
Percentage Either in a Shelter or on the Street Since Case Closed	2.3
Sample Size	256

SOURCE: Virginia Time Limit Study, Six-Month Follow-Up Survey, 1998 Cohort.

TABLE VI.4
HOUSEHOLD SIZE AND COMPOSITION
(Percentage of Respondents)

	Total
Household Composition	
Single parent household	87.8
Household with spouse/partner	12.2
Household with parents/stepparents	11.0
Household with other relatives/in-laws	15.3
Household with nonrelative	4.3
Households with More than One Adult (age 18 and up)	34.5
Marital Status	
Never married/not living together unmarried	47.2
Divorced	22.4
Separated	18.5
Married	8.7
Living together unmarried	1.6
Widowed	1.6
Household Size (includes respondent)	
1 or 2	16.1
3 or 4	52.5
5 or 6	26.2
7 to 10	5.1
Mean Household Size	2.9
Number of Children Under 18 in Household	
1	25.1
2	34.3
3 or more	40.6
Mean Number of Children	2.4
Presence of Children	
Under 1 year of age	6.3
1 to 4 years	24.7
5 to 12 years	80.0
13 to 17 years	39.2
Sample Size	255

SOURCE: Virginia Time Limit Study, Six-Month Follow-Up Survey, 1998 Cohort.

Most households (53 percent) consisted of three or four people. Twenty-six percent lived in households of five or six people. Larger households of seven or more were uncommon (five percent).

On average, respondents had 2.4 children living with them.³ Twenty-five percent of the respondents had one child, 34 percent had two, and 41 percent had three or more children living with them at the time of the interview. Nearly all respondents had at least one child age 5 to 12 (80 percent), and 39 percent had one or more adolescent children living with them. In contrast, since TANF recipients with children under 18 months are exempt from the time limit, fewer time limit respondents had young children. Six percent of the respondents had an infant (under one year of age), and 25 percent had at least one child between the ages of one and four years.

2. Changes in Household Size and Composition

Most households (83 percent) remained the same size after leaving the TANF program (Table VI.5). When changes did occur, a larger percentage of households increased in size (13 percent) than decreased (4 percent). It is unlikely that families are combining households, as most changes were due to one person moving into the household (11 percent). Less than three percent of the respondents had more than one person moving into their household after leaving TANF. New births account for some of the increase in household size. Four percent (11 respondents) reported an infant under the age of six months at the time of the interview (six months or more after leaving TANF).

³The presence of young children in the household may affect employability. However, nonemployed respondents had significantly fewer children on average (2.1) than employed respondents (2.4). Otherwise, there were no significant differences in household composition between employed and nonemployed respondents.

TABLE VI.5
 CHANGES IN HOUSEHOLD SIZE
 (Percentage of Respondents)

	Total
Number of Household Members	
Remained the same	83.1
Increased (subtotal)	13.4
Increased by 1 person	10.6
Increased by 2 to 6 persons	2.8
Decreased (subtotal)	3.6
Decreased by 1 person	3.6
Decreased by 2 to 9 persons	1.6
Mean Change in Number of Household Members	+0.11
Number of Respondents' Children in Household (n=253)	
Remained the same	85.8
Increased by 1 to 4 children	13.1
Decreased by 1 child	1.2
Mean Change in Number of Children	+0.18
Sample Size	255

SOURCE: Virginia Time Limit Study, Six-Month Follow-Up Survey, 1998 Cohort.

For the most part, children in these families were in stable households. Eighty-six percent of respondents had no changes in the number of their children living with them. A larger percentage of households had children move into the household (13 percent) than move out (1 percent). As noted, new births account for some of the increase in number of children in the household. Just one percent of respondents reported a decrease in the number of children living with them, which suggests that few children were being separated from their parent after leaving TANF.

VII. HEALTH LIMITATIONS

Some observers have expressed concern that many long-term welfare recipients may have barriers to employment because they are disabled, have health problems, or have household members with health problems. Although none of the time limit respondents had been exempted from VIEW on the basis of a disability and few received SSI, some believed their health or the health of a household member to be a barrier to their participation in employment or related activities. Specifically:

- Nearly 30 percent of respondents reported that their own health problems or those of another household member limited their ability to work: 15 percent reported their own health problems to be a barrier, 10 percent reported health problems of other household members to be a barrier, and 3 percent reported both.¹
- Among the 18 percent who reported that their own health limited their ability to work, most had worked since the case closed, and about half were working at the time of the interview, which suggests that these health limitations did not fully preclude work.
- Among the small group of people who reported health limitations and were not working, many received other sources of assistance to support their families. However, on average, the monthly income of respondents with health limitations who were not working was approximately half that of all other respondents.

Although these findings suggest that health concerns may be a barrier to self-sufficiency for a minority of time limit families, the interview did not assess the duration or severity of the problems.²

¹Health information is based on questions in the survey asking whether respondents' own health or the health of a household member limited their ability to work. It is not necessarily a medically certified disability.

²More data on health will be collected in the 18-month follow-up interview.

A. DID RESPONDENTS HAVE HEALTH PROBLEMS THAT LIMIT WORK?

About 18 percent of respondents reported that health problems were a barrier to their employment (Table VII.1). Eight percent of the respondents reported that health problems limited their ability to do certain types or amounts of work, and another nine percent reported being unable to work or participate in training because of health limitations.³ The specific health limitations cited by the nine percent of respondents who reported being unable to work included physical disability or illness (eight percent), mental health problems (three percent), and substance abuse problems (less than one percent).⁴

B. WORK STATUS AND INCOME OF THOSE WITH HEALTH LIMITATIONS

Among those who reported a health limitation, many managed to work. More than three-fourths (78 percent) had worked at some point since their case closed, and 51 percent were working at the time of the interview (Table VII.2). Some who had worked but were not currently working may have health problems that had started only recently. Those currently working presumably had problems that could be managed in the context of their current jobs.

Most of those not employed at the time of the interview and reporting a health limitation (22 respondents) received food stamps, and some received other assistance (Table VII.2). Eighty-six percent of these families received food stamps, but far fewer received child support (27 percent), or SSI or other disability insurance (14 percent). The rates of participation in food stamps, child support, and SSI or other disability insurance programs among those who were not employed and

³Although the second question was intended to capture those who could not work at all, about one-third of those who responded positively were also working. Thus, it seems appropriate to interpret both responses as reflecting health limitations that may not fully preclude working.

⁴This analysis includes only the nine percent of respondents who reported being unable to work or participate in training as the result of health limitations, because only they were asked about what type of health problem they had. Multiple responses were allowed.

TABLE VII.1

HEALTH LIMITATIONS
(Percentage of Respondents)

	Total
Unable to Do Certain Types or Amounts of Work Because of Health	8.2
Unable to Work or Participate in School/Training Activities Because of Health Problems	9.4
Reasons Unable to Work or Participate in School/Training Activities (not mutually exclusive)	
Physical disability	8.2
Mental health problem	2.7
Own substance abuse	0.8
Sample Size	256

SOURCE: Virginia Time Limit Study, Six-Month Follow-Up Survey, 1998 Cohort.

TABLE VII.2

EMPLOYMENT AND OTHER SUPPORT AMONG RESPONDENTS WITH HEALTH LIMITATIONS
(Percentage of Respondents Reporting That Their Own Health Limits or Precludes Work)

	Total
Employed at Some Time Since Leaving TANF	77.8
Employed at Time of Interview	51.1
Other Sources of Support If Not Employed (n=22)	
Food stamps	86.4
Child support	27.3
SSI/disability insurance	13.6
Other household member works	22.7
Average Monthly Income If Not Employed (n=22)	\$446
Sample Size	45

SOURCE: Virginia Time Limit Study, Six-Month Follow-Up Survey, 1998 Cohort.

reported health limitations did not differ significantly from participation rates among all other respondents. Twenty-three percent of those with health limitations and not employed lived with another adult who was working. On average, respondents reporting health limitations and not employed had monthly incomes of \$446, compared with an average of \$901 for all other respondents. Readers should keep in mind that the sample is very small, and thus these statistics are imprecise.

C. WERE OTHERS' HEALTH PROBLEMS A BARRIER TO EMPLOYMENT?

A small group of respondents reported that health problems and/or substance abuse of others in the household limited their ability to work or enter training. Eleven percent reported that another's health was a barrier for them, and two percent reported that another's substance abuse was a barrier (Table VII.3). Among all respondents, three percent reported that *both* their own health and the health of someone else in the household affected their ability to work.

TABLE VII.3

HEALTH PROBLEMS OF OTHERS THAT AFFECT RESPONDENTS' ABILITY TO WORK
(Percentage of Respondents)

	Total
Other Person in Household Disabled/Ill	11.3
Other Person in Household Has Substance Abuse Problem	1.6
Both Own Health and Health of Household Member Limits Work	2.7
Sample Size	256

SOURCE: Virginia Time Limit Study, Six-Month Follow-Up Survey, 1998 Cohort.

VIII. CHILDREN'S WELL-BEING

The ultimate goal of VIEW is to enhance the well-being of Virginia's children by assisting the family toward economic self-sufficiency and by promoting responsible parenting behavior. VIEW policies are also designed to promote greater involvement of noncustodial parents in the lives of their children. However, there is concern that, as families transition from welfare to work, children's well-being may suffer. Are children separated from their families and sent to live elsewhere? Are they left home alone while their parent is at work, or do they experience multiple arrangements and long hours in child care?

This chapter describes the situations of the children under age 18 of the 256 time limit survey respondents.¹ It does not include the children of other household members, such as nieces, nephews, cousins, or unrelated children.

Key findings are:

- Children were primarily 5 to 12 years old with an average age of 9. Nearly all children had a parent living outside the household.
- The most commonly used child care arrangements were care by grandparents or in a child care center. Most children received care from a single provider (other than school) and spent less than 40 hours a week in child care. Few were left on their own. Twelve percent of children were cared for by the respondent at the workplace.
- One-third of the children in single-parent families had been in contact with their noncustodial parent since leaving TANF. About one-fifth had received some informal support from the noncustodial parent, most often clothes or toys.

¹Biological or adopted children and stepchildren are included.

A. CHILDREN'S CHARACTERISTICS

The 256 time limit respondents had 566 children under age 18 living with them. Most children (63 percent) were age 5 to 12 (Table VIII.1). Less than 2 percent were infants, 13 percent were preschool-aged, and 23 percent were adolescents. The small number of infants and toddlers is as expected, since single parents with children less than 18 months old were exempt from VIEW and from the time limit.²

Ninety-four percent of the children had a parent living outside the home. The remaining six percent had both parents in the household.

B. CHILD CARE EXPERIENCES

Sixty-five percent of respondents (167) were working or in training and had children under the age of 13 years. This section focuses on child care arrangements from the perspective of the 332 children of these respondents.³ What types of child care arrangements did these children experience? Did they have multiple caregivers? Were young children left home alone to care for themselves? In the survey, respondents who worked or attended school or training were asked to identify all current child care arrangements for each child, including school if the child was in school while the respondent worked.

²Women who gave birth to children conceived after they started in VIEW were granted only a brief exemption.

³Chapter III discussed the cost of child care and the use of government subsidies among this group of respondents.

TABLE VIII.1
CHARACTERISTICS OF CHILDREN

Characteristic	Percentage or Mean Value
Age	
Less than 1 year	1.8
1 to 4 years	12.5
5 to 12 years	62.7
13 to 17 years	22.9
Mean Age (in years)	9.1
Gender	
Male	51.5
Female	48.5
Relationship to Respondent	
Biological/adopted	99.3
Stepchild	0.7
Family Structure	
One parent lives elsewhere	94.0
Two-parent household	6.0
Sample Size	566

SOURCE: Virginia Time Limit Study, Six-Month Follow-Up Survey, 1998 Cohort.

NOTE: Sample includes all of respondents' children under age 18 who lived with them. Characteristics are as of the time of the interview.

Overall, 48 percent of these children were in more formal programs such as day care centers, before- and after-school programs, or family day care homes, and 42 percent were cared for by relatives (Table VIII.2).⁴ Few children were caring for themselves (five percent) and none of these children was under 10. About 12 percent of children were cared for by respondents while they worked.

As found in other studies, arrangements vary with the child's age. Child care arrangements for infants and toddlers were more often with relatives, while placements for preschool children were more often in formal programs, particularly child care centers. As expected, nearly all school-aged children were in school part of the time their parent worked (80 percent). Additional arrangements for this age group were nearly equally divided between formal programs (43 percent) and care by relatives (40 percent).

Among more formal arrangements, child care centers were the most common providers (17 percent of children were in them), but before- and after-school programs were also common (11 percent). Among relatives, grandparents were the most common providers (21 percent of children were cared for by them).

Most children (77 percent) received care from a single provider or program (lower panel of Table VIII.2). Approximately one-fourth of each of the age groups were in two arrangements, and a small percentage (two percent) of school-aged children were in three arrangements (in addition to school attendance).

⁴The percentage groups in this paragraph are not mutually exclusive and therefore do not sum to 100 percent. A child attending a day care center and in relative care is included in both the 48 percent of children in formal programs and the 42 percent in relative care.

TABLE VIII.2
CHILD CARE ARRANGEMENTS, BY AGE OF CHILD
(Percentage of Children)

Type of Child Care ^a	Age 0-2	Age 3-5	Age 6-12	Total
Kindergarten/Elementary School	NA	32.4	80.2	65.4
Formal Program (unduplicated total)	42.1	66.3	43.0	47.8
Child care center/preschool/nursery school	26.3	33.8	11.6	17.2
Before- or after-school program	NA	8.5	13.2	11.4
Nonrelative in-home provider	0.0	8.5	11.2	9.9
Nonrelative family day care	15.8	8.5	7.0	7.8
Head Start	NA	7.0	NA	1.5
Family Member (unduplicated total)	52.6	45.1	40.4	42.1
Grandparent	36.8	26.8	18.6	21.4
Other relative	15.8	12.7	7.0	8.7
Sibling/half-sibling	0.0	0.0	6.6	4.8
Other biological parent	0.0	4.2	4.1	3.9
Child's stepparent	0.0	1.4	4.1	3.3
Other Arrangements (unduplicated total)	26.3	8.4	20.7	18.6
Respondent while working	26.3	5.6	13.2	12.3
No one/child cares for self	0.0	0.0	2.5	1.8
Other	5.3	2.8	6.2	5.4
Number of Nonschool Arrangements	(n=19)	(n=69)	(n=207)	(n=292)
1	73.7	76.8	77.3	77.1
2	26.3	23.2	20.3	21.2
3	0.0	0.0	2.4	1.7
Sample Size	19	71	242	332

SOURCE: Virginia Time Limit Study, Six-Month Follow-Up Survey, 1998 Cohort.

NOTES: The sample includes all children under age 13 of respondents who were working or in training at the time of the interview.

^aPercentages sum to more than 100 percent, as respondents were asked to identify all current arrangements for each child.

Hours in child care were fairly typical for children in working families (Table VIII.3). Because they were not yet in school, younger children naturally spent more hours per week in other forms of child care than older children.⁵ The maximum number of hours in child care reported by any of the respondents was 56 hours per week (two children). Infants and toddlers attended child care an average of 31 hours each week. Preschool-aged children, including five-year-olds who may have been attending half-day kindergarten, averaged 24 hours each week in child care. Before and after school, school-aged children were in child care an average of 17 hours each week.

C. INTERACTION WITH NONCUSTODIAL PARENT

There was a wide range in the frequency and regularity of contact between children and their noncustodial parent. Most children (87 percent) did not have contact with their noncustodial parent on a regular schedule (Table VIII.4). Since the TANF case closed, 6 percent of the children had daily or near daily contact, and 66 percent had no contact at all with their noncustodial parent. In between these two extremes, 15 percent of the children visited more or less on a weekly or monthly basis, and the remaining 13 percent had less-frequent contact.

D. INFORMAL SUPPORT FROM NONCUSTODIAL PARENT

In addition to formal child support payments, which were discussed in Chapter IV, some noncustodial parents provided other types of assistance to their children. Eighteen percent of the children had received some assistance from their noncustodial parent since the family left TANF (Table VIII.4). Children most frequently received clothing (12 percent) or toys (9 percent) from their

⁵ Hours in care is the total hours a child spent in all arrangements except hours children five and older spent in school. Also excluded were children who were cared for by the respondent while working and children in self-care (latchkey children). The negative correlation between age and hours in care was statistically significant.

TABLE VIII.3

NUMBER OF HOURS PER WEEK IN CHILD CARE
(Percentage of Children in Child Care)

Number of Hours	Age 0-2	Age 3-5	Age 6-12	Total
1 to 10	20.0	20.3	38.3	32.6
11 to 20	6.7	28.1	25.9	31.8
21 to 30	26.6	18.8	20.4	13.8
31 to 40	26.7	28.1	14.2	18.5
41+	20.0	4.7	1.2	3.3
Mean Hours per Week	31.3	24.4	17.1	19.9
Sample Size	15	64	162	239

SOURCE: Virginia Time Limit Study, Six-Month Follow-Up Survey, 1998 Cohort.

NOTES: Hours in care are the total hours for all arrangements except hours in school, self-care, or respondent care. Children whose only arrangements were school, self-care, or respondent care were not included in the sample.

TABLE VIII.4

NONCUSTODIAL PARENTS' INTERACTION WITH
AND SUPPORT FOR THEIR CHILDREN

Interaction or Support	Percentage of Children
Regular Contact Since TANF Case Closed	(n=501)
No	87.4
Yes	12.6
Frequency of Contact Since TANF Case Closed	(n=498)
Never	66.3
Daily (includes:)	5.6
Every day or nearly every day	3.8
More than once a week but less than every day	1.8
Weekly or monthly (includes:)	14.8
Once a week	3.6
Every weekend	3.2
Every weekend plus one week night	0.4
Every other weekend	5.2
Every other weekend plus one week night	0.6
Once a month	1.6
Three months of summer	0.2
Occasional or sporadic (includes:)	12.8
One to four times	5.4
Whenever noncustodial parent feels like it/varies/undefined	4.2
Five or more times	1.6
Holidays and special occasions (such as graduation) only	1.4
Seldom and/or only for very short periods of time (hours)	0.2
Informal Assistance from Noncustodial Parent Since TANF Case Closed	(n=503)
Clothing	11.6
Toys	9.4
Food	7.8
Babysitting	7.6
Medicine	6.6
Money other than formal child support	4.4
Household items	3.6
Miscellaneous	0.4
Received Any Type of Assistance (one or more of above)	17.6

SOURCE: Virginia Time Limit Study, Six-Month Follow-Up Survey, 1998 Cohort.

NOTE: The sample includes all biological children, adopted children, or stepchildren of respondents with a noncustodial parent.

noncustodial parent. Children also received food or child care (each 8 percent), medicine (7 percent), financial assistance other than formal child support payments (4 percent), household items (4 percent), and other miscellaneous items (less than 1 percent).

IX. RESPONDENTS' VIEWS OF THEIR SITUATION

Previous chapters have shown that most of the time limit families had been working for a while when they lost their TANF benefits and that they continued to work steadily in the six months that followed. On average, families' lives were about the same after benefits ended in the jobs they held, their housing arrangements, and their average incomes. Some were working more, and many continued to receive various forms of public support. However, nearly half reported that their income had declined.

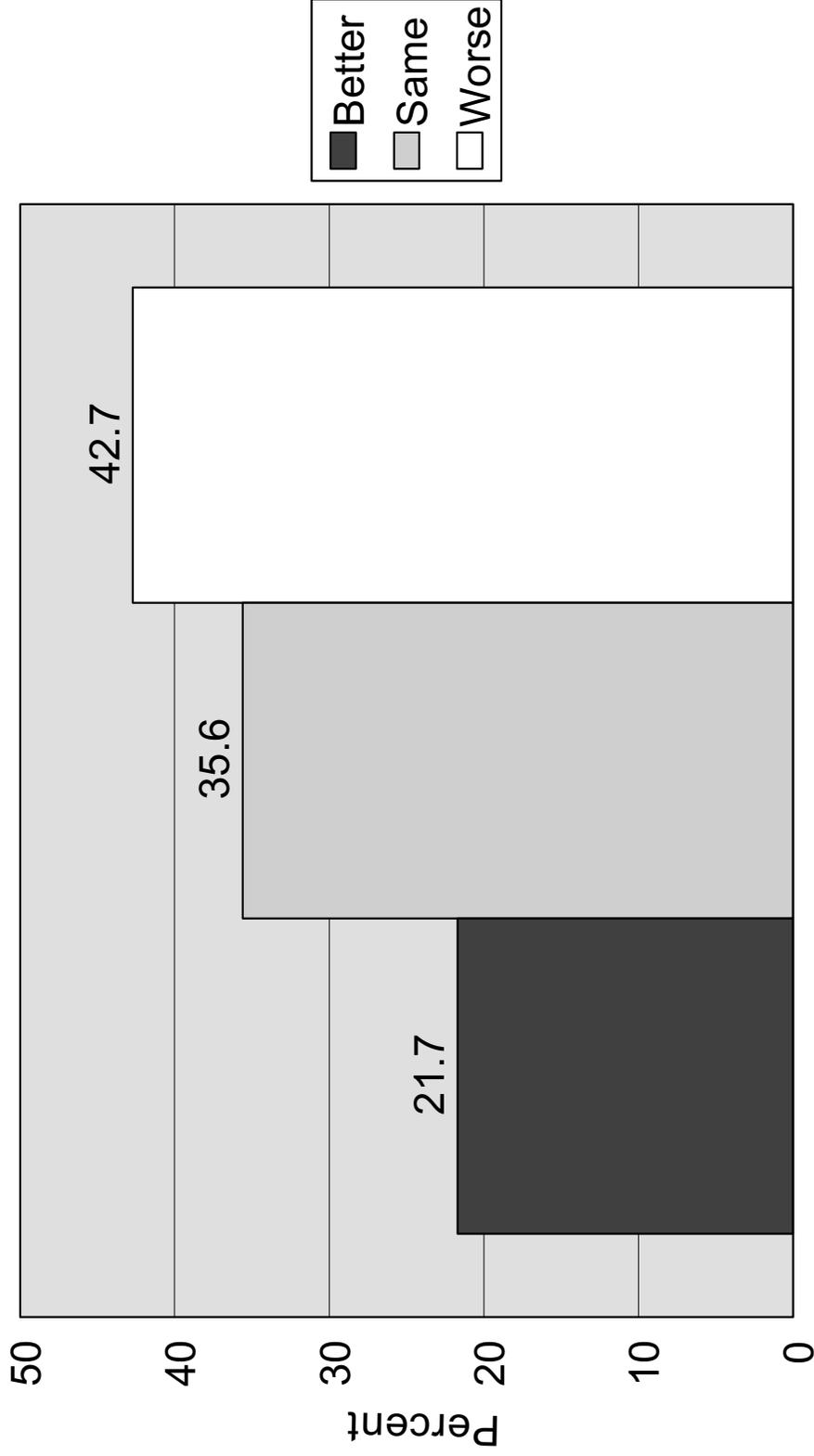
This chapter shifts the focus to respondents' own views of their situation.

- About two in five respondents not surprisingly saw the loss of TANF benefits as a setback and reported that things were worse overall. However, more than half viewed their situation as the same or better.
- When asked about positive experiences, most reported subjective victories, such as having more self-esteem, feeling glad they did not have to deal with caseworkers any longer, or “managing.”
- When asked about their greatest difficulties, most reported trouble paying bills and making ends meet. Few reported job-related problems, perhaps because their job situation was not what had changed when benefits ended.
- Those who were employed were more likely to report that things were better and less likely to report that they were worse. The employed were also more likely to report a sense of improved self-esteem or independence.

A. HOW DID RESPONDENTS ASSESS THEIR SITUATION?

Respondents were asked: “How well are you and your family coping since the end of your cash benefits? Are things better, worse, or about the same?” Figure IX.1 shows the distribution of responses for the full sample. Over two-fifths of families (43 percent) say that things are worse than before benefits ended, while more than half (57 percent) say that things are about the same or better.

FIGURE IX.1
 HOW ARE THINGS SINCE TANF CASE CLOSED?
 (Percentage Distribution)



Response Among All Individuals

SOURCE: Virginia Time Limit Study, Six-Month Follow-Up Survey, 1998 Cohort. Sample Size = 253

Responses to this “overall assessment” question were related to current employment status.¹ Figure IX.2 shows responses separately for those working at the time of the interview and those not working. Those who were working when interviewed were about twice as likely to say things were better (26 percent versus 12 percent) and were correspondingly less likely to say things were worse (40 percent versus 49 percent).

B. POSITIVE EXPERIENCES AND DIFFICULTIES FOR RESPONDENTS

Respondents were asked in the interview to describe their greatest difficulties and most positive experiences during the period since their TANF case closed.² In interpreting these results, keep in mind that what respondents reported may have nothing to do with their TANF case closing. Furthermore, these positive experiences and difficulties may not reflect a major change from respondents’ experiences when they were receiving TANF.

Most respondents reported both positive experiences and difficulties. The most commonly mentioned types of positive experiences were subjective victories, such as “I have self-respect” or “I learned to stand on my own feet.” Difficulties were most often money problems. Difficulties reported are not generally related to current employment status, but positive experiences are.

1. Respondents’ Positive Experiences

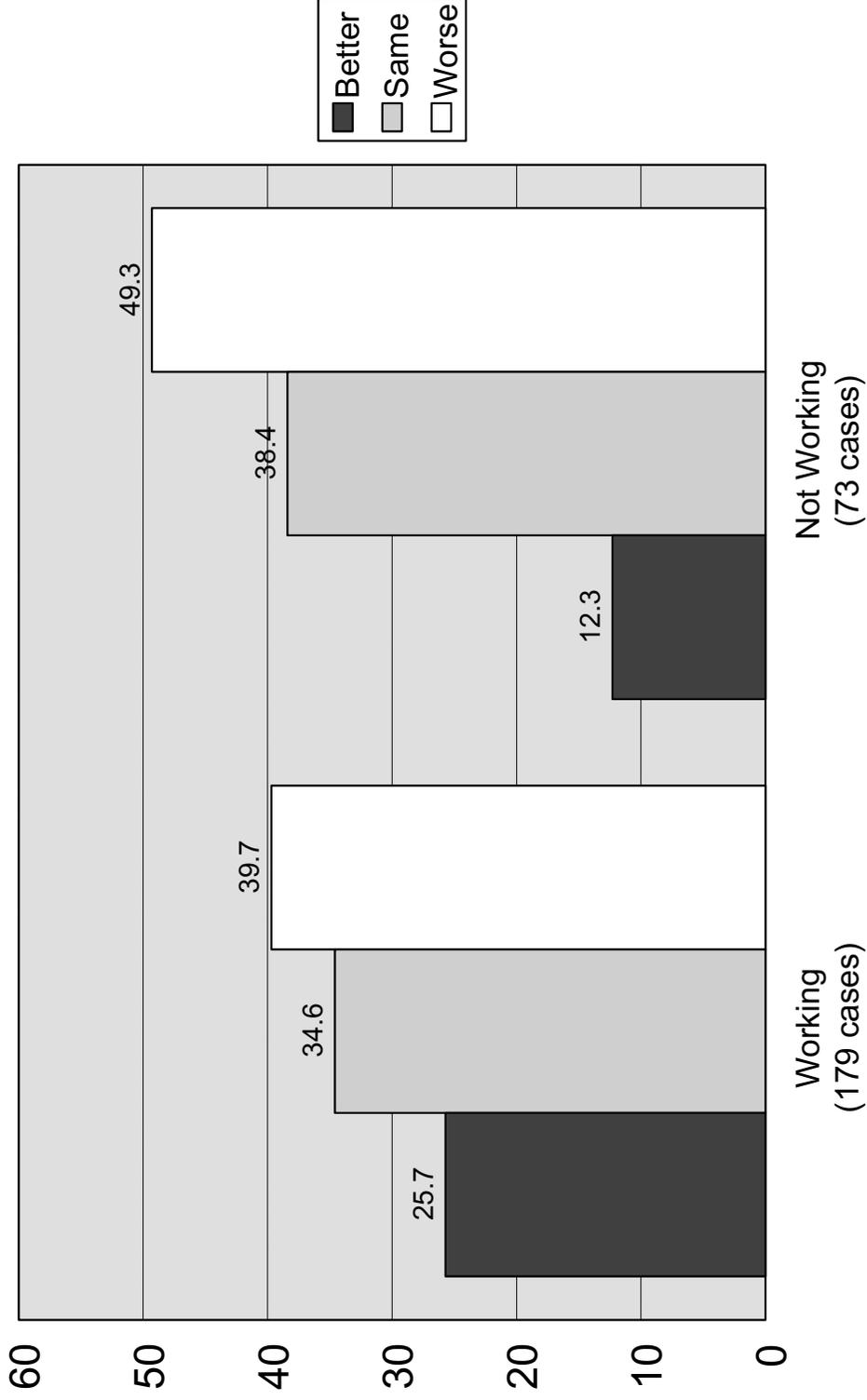
Most respondents reported some positive experiences in the period since their TANF case closed, but about one-third said they had “nothing positive” to mention (Table IX.1). The largest

¹The differences were statistically significant at the 10 percent level, using a chi-squared test.

²These questions were open-ended; responses were entered verbatim by the interviewers and later coded.

FIGURE IX.2

HOW ARE THINGS, BY CURRENT EMPLOYMENT STATUS?



SOURCE: Virginia Time Limit Study, Six-Month Follow-Up Survey, 1998 Cohort.

TABLE IX.1

BIGGEST SUCCESSES FOR RESPONDENT SINCE CASE CLOSED,
BY CURRENT EMPLOYMENT STATUS

Successes	Currently Employed	Not Employed	Total ^a
None	31.5	37.7	33.2
Gained Independence, Self-Esteem	22.9	10.1**	18.7
Has More Money	9.7	4.3	8.1
No Longer Has to Deal with TANF Paperwork, Caseworkers	12.1	7.2	10.6
Job-Related Successes	10.9	5.8	9.4
Housing/Neighborhood	4.5	2.8	4.0
Relationships/Family Successes	3.6	11.6*	6.0
Getting More Education	2.4	1.4	2.1
Managing, Doing My Best	3.0	5.8	4.3
Other	6.1	18.8**	9.8
Sample Size	165	69	235

SOURCE: Virginia Time Limit Study, Six-Month Follow-Up Survey, 1998 Cohort.

NOTE: More than one response was allowed.

^aIncludes one case whose current employment status could not be determined.

*Significantly different from “employed” at the .10 level, two-tailed test.

**Significantly different from “employed” at the .05 level, two-tailed test.

***Significantly different from “employed” at the .01 level, two-tailed test.

group (19 percent) reported experiences of a subjective type, such as having more self-esteem or having goals. Relatively few mentioned having more money (eight percent). Job-related positive experiences were also not common (nine percent). About 11 percent mentioned not being on TANF as a positive experience. Another four percent mentioned “managing” or “surviving” or “doing my best.” In general, those who were employed were slightly more likely to report positive experiences than those who were not, but differences were not always statistically significant with this small sample. Employed respondents were significantly more likely than nonemployed respondents to report that their outlook on life had improved (23 percent versus 10 percent). In contrast, those not employed were significantly more likely to report positive experiences in relationships with families and partners (12 percent versus 4 percent).

2. Difficulties Faced by Respondents

Respondents most frequently cited lack of money, or lack of money to meet specific needs, as a problem (Table IX.2). About 56 percent of respondents mentioned some form of money problem, including 32 percent who mentioned that “paying bills” was difficult or that they had “not enough income” in general, and 16 percent who mentioned problems paying for necessities such as clothing or heat. Problems paying for food, health care, and housing were each mentioned by two to seven percent of respondents. These costs may have been less of a concern because many still received benefits that helped pay for these items. Problems saving money or buying extras were mentioned by four percent of respondents.

TABLE IX.2

GREATEST DIFFICULTIES FOR RESPONDENT SINCE CASE CLOSED,
BY CURRENT EMPLOYMENT STATUS

Difficulties	Currently Employed	Not Employed	Total ^a
None	26.6	20.0	24.6
Money Problems	54.8	58.6	55.6
Paying bills, making ends meet	28.8	40.0	31.9
Buying food, feeding family	9.6	1.4***	7.3
Paying for health care	2.3	1.4	2.0
Paying for housing	6.2	0.0***	4.4
Paying for other necessities	15.3	18.6	16.1
Saving money	4.5	1.4	3.6
Buying extras/things kids want	4.0	2.9	3.6
Job-Related Problems	7.3	10.0	8.1
Housing/Neighborhood	1.7	2.9	2.0
Relationship/Family Problems	5.6	0.0***	4.0
Other	9.0	15.7	11.3
Sample Size	177	70	248

SOURCE: Virginia Time Limit Study, Six-Month Follow-Up Survey, 1998 Cohort.

NOTE: More than one response was allowed. Each major heading includes all responses listed below it.

^aIncludes one case whose current employment status could not be determined.

*Significantly different from “employed” at the .10 level, two-tailed test.

**Significantly different from “employed” at the .05 level, two-tailed test.

***Significantly different from “employed” at the .01 level, two-tailed test.

One-quarter of respondents cited no difficulties. Only eight percent of respondents mentioned job-related difficulties. In contrast, 26 percent of respondents mentioned job-related problems in response to a similar question in the Closed Case study.³ There were no major differences in difficulties reported by those currently employed and those not employed.

³This comparison is based on the full Closed Case Survey sample, which includes cases from other parts of Virginia.

X. ADMINISTRATIVE DATA ON PROGRAM PARTICIPATION OF TIME LIMIT FAMILIES

Previous chapters reported on the status of time limit families on the basis of data from the six-month follow-up survey. This chapter examines available administrative data on program participation of time limit families.¹ Key findings are:

- As in the survey data, these data suggest that many time limit families made up part of their lost TANF benefit through increases in food stamps and child support.
- Among the entire sample of time limit cases, the number of families receiving subsidized child care had decreased by a third six months after case closure. At that point, 21 percent were receiving a subsidy, compared to 31 percent during their last month on TANF. The amount of the average subsidy was also less than before, most likely because the parents were making co-payments not required while they were on TANF, thus reducing the portion of the child care payment that was subsidized.
- When considering only working families with children under 13, instead of all families, a match of administrative data to survey data suggests that 37 percent of those families received state or locally funded child care subsidies six months after their case closed, slightly more than was reported in the survey.

A. FOOD STAMPS

Participation in the Food Stamp Program decreased after families reached the time limit, but families that continued to receive food stamps received more than when they were on TANF (Table X.1). Eighty-three percent of time limit families received food stamps during their final month on

¹At the time this report was written, food stamps and subsidized child care were the only programs for which complete data were available. Child support data were limited to payments made while the TANF case was open.

TABLE X.1

FOOD STAMP PROGRAM PARTICIPATION AND BENEFITS
OF TIME LIMIT FAMILIES

	Percentage or Mean	Change Since Last Month on TANF
Participation in Food Stamps, All Cases (n=328)		
Final month on TANF	83.2	
Three months after case closure	76.8	-6.4
Six months after case closure	70.7	-12.5
Mean Food Stamp Benefit, All Cases (n=328)		
Final month on TANF	\$155	
Three months after case closure	\$190	+\$35
Six months after case closure	\$177	+\$22
Mean Food Stamp Benefit, Cases with a Benefit That Month		
Final month on TANF (n=273)	\$186	
Three months after case closure (n=252)	\$248	+\$62
Six months after case closure (n=232)	\$250	+\$64

SOURCE: VDSS Administrative Data.

TANF.² Participation in the food stamp program dropped to 77 percent after three months and to 71 percent after six months.

The average food stamp benefit received by time limit households was higher after they left TANF. This increase in the amount of food stamps was expected and is consistent with the survey results presented in Chapter IV. When families lose their TANF benefit and do not increase their earnings sufficiently to make up for the loss, their food stamp benefits go up, although not dollar for dollar. The average benefit for all 328 families, including those who did not receive food stamps, was \$155 in the month they reached the time limit, \$190 three months later, and \$177 in the sixth month after case closure, \$22 more than in the last month on TANF.

Among recipients who received food stamps at each point in time, the increase in benefits after leaving TANF was larger. These families received an average of \$186 in food stamps in their final month on TANF, \$248 three months later, and \$250 six months later, \$64 more than in their final TANF month.³

²It may seem surprising that 17 percent of the time limit cases did not receive food stamps during their final month on TANF because normally TANF recipients also receive food stamps. Of the fifty-five cases of this type, 12 (22 percent) were being sanctioned and did not receive a TANF benefit in their last month either. These cases may have cut their ties to social services and not have provided the information needed to maintain their food stamp eligibility. Specific features of the Food Stamp Program's regulations could also result in a TANF recipient not getting food stamps, such as having assets over the amount allowed. The members of the time limit case could also be part of a food stamp case headed by someone other than the TANF head of household. Such participation would not be captured in the available data. Disqualification from receipt of food stamps due to food stamp fraud is also a possibility.

³The specific families included in this analysis varied at each point in time, as some families no longer received benefits, while other families who had not participated earlier began to receive food stamps. The same results are found for the 217 families that received food stamps in both their last month on TANF and six months later. Their food stamp benefit increased from \$186 in the final TANF month to \$250 six months afterward.

B. CHILD SUPPORT

If an absent parent is paying child support for a child on TANF, the custodial parent receives up to \$50 per month of the child support payment. Any amount above that is retained by the state to compensate for the cost of providing the TANF benefit. After the family leaves TANF, the custodial parent generally receives the full child support payment.

Administrative data on the amount of child support received by the time limit families after leaving TANF were not available when this report was written. As discussed in Chapter IV, families responding to the survey reported receiving more child support after leaving TANF. Another indication of the potential for increased income from child support is the number of families who were receiving a \$50 child support payment in their final month on TANF.

Seventy-six families (23 percent) received child support in their last month on TANF (Table X.2). Four families received less than the maximum of \$50 because that was all the noncustodial parent paid. However, many of the remaining 72 families that were receiving the full \$50 probably received a larger child support payment after the case closed, even if the noncustodial parent paid the same amount. This suggests that about one-fifth of time limit families may have made up part of the lost TANF benefit through increased child support that came automatically when the TANF case closed, without anything else changing. As noted in Chapter IV, the percentage of families receiving a child support payment increased after the case closed, too.

C. SUBSIDIZED CHILD CARE

In their final month on TANF, 103 time limit families received subsidized child care (Table X.3).⁴ This group constituted just under a third (31 percent) of all the families included in this study.

⁴ The families do not receive the payment. The payment is made on their behalf to the child care provider.

TABLE X.2

CHILD SUPPORT PASS-THROUGH PAYMENTS FOR
TIME LIMIT FAMILIES, LAST MONTH ON TANF

	Percentage
Families Receiving Child Support Pass-Through Payment	23.2
Families Receiving Full \$50 Pass-Through Payment	22.0
Families Receiving Less than \$50 Pass-Through Payment	1.2
Sample Size	328

SOURCE: VDSS Administrative Data.

TABLE X.3

SUBSIDIZED CHILD CARE PARTICIPATION AND
PAYMENTS OF TIME LIMIT FAMILIES

	Percentage or Mean	Change Since Last Month on TANF
Participation in Subsidized Child Care, All Cases (n=328)		
Final month on TANF	31.4	
Three months after case closure	26.8	-4.6
Six months after case closure	21.3	-10.1
Mean Child Care Subsidy per Family, Cases with a Benefit That Month		
Final month on TANF (n=103)	\$572	
Three months after case closure (n=88)	\$576	+\$4
Six months after case closure (n=70)	\$540	-\$32
Mean Child Care Subsidy per Family, Cases with a Benefit at All Three Times (n=58)		
Final month on TANF	\$617	
Three months after case closure	\$654	+\$37
Six months after case closure	\$549	-\$68

SOURCE: VDSS Administrative Data.

Participation rates dropped to 27 percent three months later and 21 percent six months after case closure. While these rates may seem low, they reflect the fact that some of these families did not have children under 13 who needed care and that others found solutions other than paid child care.⁵

There are many possible reasons why the number of families receiving a child care subsidy fell during the six months after case closure. While on TANF, families that received subsidized child care did not have to make a co-payment. After leaving TANF in Virginia, they were required to pay 10 percent of gross income. When suddenly faced with the need to make a co-payment, parents may have taken steps to limit their child care costs. For instance, parents could have moved children to a different child care arrangement such as free care by a relative or changed work hours to avoid the need for child care. The need for child care may also have been affected by the fact that six months after case closure, almost all families were in a new school year. For some, the need for child care may have been reduced because children who were of preschool age when the TANF case closed began elementary school. For others, a reduction in the need for child care could have occurred when children who had been in part-day kindergarten moved to a full school day in first grade. Some families may no longer have qualified for or no longer needed child care because the parent was not working or in training. Some families' incomes also may have increased to the point where the family no longer qualified for the subsidy. Finally, some families may not have been aware that they were eligible for transitional child care assistance after they left TANF, or they may not have chosen to apply for this assistance or to reapply if they changed jobs.

If there were no changes in child care arrangements after case closure, the amount of the child care subsidy should have decreased, because the family was paying part of the cost of care, automatically reducing the subsidy amount. If parents started working more hours to make up for

⁵See Chapter VIII for a discussion of child care arrangements among the survey respondents.

the loss of TANF and kept the same child care placement, however, the child care subsidy could have increased to cover the cost of additional hours of care.

The average child care subsidy among families receiving child care assistance was about the same in the third month after they left TANF but decreased somewhat by the sixth month. Among families that received a child care subsidy at each point in time, the average subsidy was \$572 in the last month on TANF, \$576 three months later, and \$540 in the sixth month after case closure. It seemed possible that the reason the subsidy did not fall after three months was that those with higher subsidies were more likely to enroll in the transitional program. However, findings were similar when the analysis was confined to the 58 families who received a child care subsidy at all three points in time. For these families, the subsidy averaged \$617 in their final month on TANF, rose to \$654 three months later, but dropped to \$549 six months after case closure, \$68 less than when they were on TANF.

To assess subsidy receipt specifically among those who were likely to need child care, we also examined child care subsidies in the administrative data for the 167 survey respondents who were working or in training and had at least one child under the age of 13. Comparison of the survey data and administrative data on these families reveals substantial consistency but also some differences.

The administrative data indicate that a somewhat higher percentage of the 167 families received a state child care subsidy six months after leaving TANF than was reported by the families at the time of the interview. Twenty-nine percent of these families reported that they received a child care subsidy from a government program at the time of the interview (refer back to Table III.6). State data show 33 percent with a child care subsidy in the sixth month after case closure (Table X.4).

TABLE X.4

USE OF CHILD CARE SUBSIDIES BY WORKING SURVEY RESPONDENTS
(Percentages)

	Percentage of Working Survey Respondents with Child Under 13
Received Child Care Subsidy from a State-Administered Program (based on administrative data)	32.9
Reported Government Child Care Assistance in Survey but Probably Received It from a Local Source (not in state administrative data)	4.2
Total with Government-Assisted Child Care (in survey or administrative data)	37.1
Sample Size	167

SOURCE: VDSS Administrative Data and Virginia Time Limit Study, Six-Month Follow-up Survey, 1998 Cohort.

NOTE: Differences between survey and administrative data could also result from differences in timing. Survey information could refer to the 6th to the 12th month after case closure. Administrative data refer to the sixth month after case closure.

Eight percent of survey respondents with a state child care subsidy at that time did not report it in the survey, perhaps because they no longer had the subsidy at the interview, which could be several months later than the period covered in the administrative data (not shown in table). Four percent reported use of a government subsidy in the survey but did not have a payment from any of the state child care programs. Those seven families may have participated in a locally funded child care program that would not be included in state data on child care subsidies.^{6,7}

Based on a combination of administrative data and survey responses, it appears that 37 percent of the 167 families received child care assistance six months after case closure, from either a state-administered or a local government source.

⁶Although unlikely, it is also possible they were interviewed more than six months after the case closed and had only recently obtained a subsidy.

⁷ Local programs would include before- and after-school child care programs administered by the local school system and “local only” child care. A local DSS office sometimes uses non-state funds to provide “local only” child care to families that do not qualify for a state-subsidized program if, for example, their income is too high for the state program but meets local guidelines.

XI. SUMMARY OF FINDINGS

This report profiles some of the first families who reached Virginia's two-year time limit on TANF eligibility and describes their experiences in the six months or so after their cases closed. We present administrative data on background characteristics of all 328 families who reached the time limit from February 1998 through June 1998. In addition, we use data from follow-up interviews with 256 of these families, who were interviewed 6 to 12 months after their TANF cases closed, to assess the situation of these families after they left TANF. We also examine administrative data on a limited number of outcomes. This early group of time limit families is from only a few parts of the state and may not be representative of future time limit cases in Virginia.

In this chapter, we summarize what we have learned about answers to each of the research questions posed in Chapter I and describe plans for further research.

A. WHO REACHED THE TIME LIMIT?

- Former recipients who reached the time limit tended to be older than VIEW participants who left before reaching the time limit. They also had larger families.
- Most time limit families had been on TANF for a long time.¹ Two-thirds had first enrolled in TANF more than five years before reaching the time limit. Taking into account periods off TANF, more than half the families had more than five years of TANF participation.
- Most time limit parents had complied with VIEW rules, but over a quarter were sanctioned at least once for not meeting program requirements. Most were sanctioned for three months or less, but a small group was sanctioned for much longer, some for almost all their time in VIEW.
- About half the survey respondents reported that they had planned to stay on TANF until they reached the time limit.

¹For simplicity, the term TANF is used even when referring to the period when the program was known as AFDC.

B. HOW MUCH DID THEY WORK AFTER BENEFITS ENDED?

- About 86 percent of respondents to the follow-up survey worked at some point after their case closed. Among those who worked, 63 percent worked in every month from the time the case closed until the interview.
- Two-thirds of respondents worked more than 30 hours per week, were predominantly in service or sales occupations, and were paid about \$6 per hour, on average.
- Time limit respondents were more likely to work after their case closed than those whose cases closed for other reasons. However, time limit respondents who worked earned lower wages and worked fewer hours than other leavers who worked.

C. WERE THEY MOVING TOWARD SELF-SUFFICIENCY?

1. Toward Self-Sufficiency: Employment and Child Support Increase

- More respondents worked after their TANF case closed. About 63 percent were working in the month the case closed, and 71 percent were working at the time of the interview, seven months later on average.
- The proportion receiving child support increased from 19 to 29 percent after the case closed, and the amounts received by those receiving child support also increased.

2. The Safety Net: Most Continue to Receive Food Stamps and Medicaid

- Based on the survey data, about 76 percent of time limit families still received food stamps when interviewed, six months or more after the case closed, only slightly less than when on TANF. Average food stamp benefits increased slightly after the TANF case closed. Administrative data present a similar picture.
- More than half of time limit families who did not receive food stamps after case closure believed they were ineligible, although their incomes were low enough that some may have been eligible.
- About 90 percent of families reported that someone in their family was covered by Medicaid at the time of the interview, 80 percent said the children were covered, and 71 percent said the entire family was covered.

3. Transitional Benefits: Received by Some

- Just under one third of working time limit families reported receiving a child care subsidy, one third reported that they chose to forgo a subsidy, and another third were not aware that they may be eligible for a subsidy (and may or may not have been eligible).
- Less than 15 percent of working families received a transportation subsidy in these early VIEW sites, but most had access to cars and drove or got a ride to work.

4. Help from Family and Friends: Much as Before

- Among survey respondents, 67 percent received assistance from family and friends. For the most part, respondents did not think the level of assistance received from family and friends had changed since they left TANF.

5. Help from Community Agencies: Used by Some

- Among survey respondents, 27 percent reported receiving help from community or religious groups.²

D. HOW ARE FAMILIES DOING?

- Average income was the same at the interview as before the case closed. Families had lost TANF benefits but had filled the gap with increased income from earnings, food stamps, and child support.
- For 28 percent of time limit families, income had increased by 10 percent or more since their TANF case closed. For 25 percent of time limit families, income had stayed about the same, and for 47 percent of time limit families, income fell by 10 percent or more.
- Thirteen percent of families had income above the federal poverty level before their case closed, and 14 percent at the interview, based on self-reported income. At the same time, a larger percentage of respondents reported their income to be below 50 percent of the federal poverty level at the interview (43 percent) than at case closure (36 percent).

²The level of help received before the case closed was not assessed.

- When asked for an overall assessment of their situation since leaving TANF, 58 percent of families reported that their circumstances were about the same (36 percent) or better (22 percent).
- Fifteen percent of respondents reported visiting food pantries or soup kitchens since their case closed.
- However, only two percent of time limit families had been homeless since the case closed.
- Nearly all families had health insurance for some members. Eight percent of families lacked health insurance for the entire family. An additional 10 percent lacked insurance for the children.

E. WHAT WERE CHILDREN’S SITUATIONS?

- Children in time limit families were mostly age 5 to 12 and living with a single mother.
- Children of working time limit parents were in child care arrangements similar to those used by other working families, most commonly care by grandparents or in a child care center. Most children received care from a single provider (other than school) and spent less than 40 hours a week in child care. No children under 10 years old were left on their own.
- Only one percent of respondents reported that any of their children had gone to live elsewhere since the case closed.
- One-third of children living with a single parent had been in contact with their parent since the family left TANF.

F. ISSUES FOR FUTURE RESEARCH

The findings in this report reflect the experiences of a small number of families and follow them only for a brief period after their TANF benefits end. We plan to interview these families again, starting 18 months after their cases closed. This longer-term followup will focus on several issues:

- Are families able to improve their earnings and total incomes over time?
- How do families cope with the end of their 12 months of eligibility for transitional assistance with child care, transportation, and Medicaid?

- How are children in time limit families faring? New data on health and behavioral problems will be collected.

In addition, to increase the overall sample and to make the study representative of a broader part of Virginia, we will conduct similar 6- and 18-month follow-up interviews with cases that reach the time limit in early 1999 and 2000. These additional interviews will substantially enrich our understanding of who reaches the VIEW time limit and how they cope.

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